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THE PURCHASING POWER PROBLEM

BY PER JACOBSSON, D. C. L.

As Professor Gustav Cassel found nearly a generation ago, the splendid economic development that has been proceeding since the middle of last century, has resulted, broadly speaking, in an astonishingly steady increase in the world production by about 3 per cent. annually. The national income, expressed in money, varied in a somewhat higher degree owing to changes in the average price level, but, as up to 1914 these fluctuations kept within relatively narrow limits, the national income of most countries, also as expressed in money, increased in a relatively equable way. After the outbreak of the first world war the changes in prices, as we know, were more considerable and the variations in the national income consequently more marked. For the world at large, the total amount of the different national incomes rose from about a hundred milliard dollars in 1913 to about 210 milliard dollars in 1929; at most 30 per cent. of this increase corresponded to a better supply of goods and services: the remainder was accounted for by the price changes.

When the national income increased, this was naturally followed by a rise in the sum-total of the means of payment, that is, the note circulation and the bank accounts, which together represent the monetary purchasing power, the note circulation providing especially for the requirements of retail trade, whereas the bank accounts are chiefly used for the circulation of payments in the productive process and wholesale trade. If the figures for the amounts of the different means of payment are compared with the magnitude of the national income, we find, over lengthy periods, such a striking parallelism in the variations, that one can almost speak of a constant ratio. As regards Sweden, for example, the note circulation corresponded to $6^1/_2$ to 9 per cent. of the national income from about the year 1870 to 1930, which indicates an astonishing constancy in the habits of payment. Also during the second world war the ratio between the amount of the means of payment in circulation and the magnitude of the national income has, broadly speaking, been constant, as shown, for example, in the reports of the Bank for International Settlements and, as regards England, in an article in "The Economist" of the 4th May, 1946.

The parallelism thus noted raises several interesting and important questions, only one of which will be dealt with here: in what way did the increase in means of payment proceed when the national income rose?

In certain cases this question is rather easily answered: during the two world wars the financing of the immense budgetary deficits was effected, *inter alia,* by the creation of new purchasing power, which itself was one of the causes of the price advance that set in. But what happens in peace time, when the national finances are in order and no such inflationary financing is proceeding?

Some people consider that an increase in production, so to speak, automatically leads to an increase in purchasing power, in conformity with the well-known law regarding the channels of circulation, according to which "goods create a demand for goods". The problem, however, is not quite so simple: it must in any case be explained how the increased means of payment get into circulation. As a rule those who consider the problem solved, as it were, of itself, suppose that an extremely elastic banking system is able, by increased credits, to put fresh means of payment into circulation. In certain favourable circumstances this may indeed be the case but we must not overlook the fact that, in many cases, great difficulties may stand in the way of such a happy development. It may happen, for instance, that the credit-granting capacity of the banks is too

strictly limited by a shortage of monetary reserves. Still more important effects may ensue from a series of circumstances which require, for their explanation, an analysis of the relation between saving and investment.

Saving, of course, means that the purchasing power which a person receives in the form of his daily income is not completely used for the purpose of current consumption. In order to avoid a loss of purchasing power, it is evidently necessary that the purchasing power thus released by saving is really utilized; this is usually effected either by direct loans or by advances granted, through banks or insurance companies, to private persons, companies or some public authority. If such lending (and investment) takes place, the already existing monetary purchasing power will be fully utilized. But, in order that an *increase* in the amount of purchasing power may occur, it is manifestly necessary that *more* should be lent than has been saved; and this is supposed to be rendered possible by the banking system, which, for the said purpose, should, it is considered, maintain an artificially low rate of interest, for the purpose of encouraging larger borrowing, from the banks. Economists of the "classical" school, such as Haberler, as well as those more influenced by Keynes, such as Alwin Hansen (both of them well-known names at Harvard University), appear to be agreed about this matter, which had already been pointed out before 1914 by the then professor of economy at Uppsala, David Davidson. To put such a policy into practice, however, is not always so easy.

During a boom with a greatly increased production, an increase of the monetary purchasing power in broad strata of the population will be required; and, according to the views just mentioned, a relatively *low* interest rate would be adapted for the purpose. On the other hand, a boom is usually accompanied by wild speculation in shares and other capital assets; and, in order to counteract such tendencies, which, according to experience, lead to severe set-backs, a relatively *high* interest rate would be required. In this way the authorities responsible for the management of the currency would evidently be confronted with a rather perplexing dilemma.

During a slump, on the other hand, when an increase in monetary purchasing power may be required in order to counteract a fall of prices and a general deadlock in the circulation, the demand for credits is usually so limited that it does not suffice even to ensure a complete utilization of the current savings, still less to increase the total purchasing power. Before 1914, however, the London money and capital markets, in virtue of the central position which they held in international lending, could reckon with an active demand for credit from some quarter of the globe even during the severest slumps. This unique position serves to explain the tendency which long prevailed among British economists, so to speak, to take for granted that a lowering of the bank rate, and thus also of other interest rates, would produce an almost immediate increase in the demand for credits. Such an assumption nowadays cannot be made even as regards the British market.

If it is true that difficulties indicated here had existed, how can we explain that the supply of means of payment proceeded, relatively speaking, so steadily and effectively for so many years?

The correct answer is no doubt that means of payment were supplied to the various countries *in other and more direct ways* than by larger bank credits, and this not only in times of war by State measures for the creation of new purchasing power, but, month after month, by central bank purchases of the current gold production. For a gold-producing country such as South Africa, gold is primarily an export commodity, with which the major part of the imports are paid. When the newly produced gold is bought by the central banks in the countries to which it finds its way, new monetary purchasing power is created, and it is with this purchasing power that South Africa and other gold countries, as just indicated, pay for the goods which they have bought. This new purchasing power, however, naturally passes from hand to hand, thus producing a considerably larger total purchasing power than the original amount (much in the same way as in Sweden a note issue of about 2,500 million kronor suffices for the turnover of a national income of approximately 17,000 million kronor). The additional purchasing power thus derived from the current gold production should therefore be compared with the

value of the annual increase in the sum-total of goods and services. Under the conditions that prevailed before 1914 this surplus purchasing power was probably of very great importance, perhaps in itself sufficient to raise the price level by 25 or 30 per cent. from 1896 to 1914.

As the purchasing power derived from the production of gold is used for the payment of goods and services, the major part soon finds its way to companies or other establishments that produce those goods and services, and is used by them, in turn, for the payment of wages, etc. In this way larger purchasing power becomes available within the so-called income sphere, that is, primarily for the needs of retail trade. As for wholesale business, there is usually no difficulty in obtaining the necessary bank credits for the purpose of maintaining larger stocks or in the event of a price advance, and this especially when there are prospects of rapid resales to prosperous consumers through the retail trade. And, when it is no longer necessary to infuse new purchasing power by the grant of advances which, as shown above, should exceed the current savings, no artificially low interest rate will be required; the monetary authorities will thus be freed from the perplexing dilemma also alluded to above.

This applies when all goes well. But, as a consequence of the first world war, a number of changes occurred, the importance of which did not manifest itself until after the lapse of some time.

Before 1914 the value of the newly produced gold that came to be used for monetary purposes, relatively to the annual increase in the national income of the gold standard countries, taken together, stood in the ratio of 1 to 11. In the course of the five years from 1924 to 1929, however, the relation between these two factors had changed to the ratio of 1 to 29; this was due to a greatly increased production of goods, higher prices reckoned in gold and at the same time a somewhat reduced gold production. Moreover, as from the year 1926, France and a few other countries appropriated the entire current production of gold, in order to replenish their dwindling post-war reserves. One of the consequences was that the United States during the critical years 1924 to 1934 could not show any increase in their stock of gold. Accordingly, it was by other means, notably by the grant of credits, that the Americans had to endeavour to extend the volume of monetary purchasing power in order to obtain a market, without a considerable fall of prices, for their increasing production. All went well for some time, partly because large credits were granted to foreign countries, whilst the domestic grant of credits was maintained for certain, not always well-advised, purposes, such as in the interest of speculators on the stock exchange. Such a course of development evidently had many vulnerable points: lending to foreign countries was unduly large; the prices of stocks and shares were forced up too high; the collapse came in the autumn of 1929. Extension of purchasing power by the grant of credits is by no means an easy matter. The more direct method based on an influx of gold has its distinct advantages.

It may, however, seem peculiar that a gold production which in 1913 supplied not more than about 250 million dollars annually for monetary purposes could have such a marked effect on the world price level, especially as the aggregate amount of the national incomes of the different countries figured at roughly 100,000 million dollars. The explanation is that the gold production, as already indicated, is compared here, not with the total national income, but with the annual increase in that income, and then the ratio will be quite different. Secondly, it is essential that certain general conditions should be fulfilled. There must, for example, be such equilibrium in the relation between the different countries that the whole amount of the newly produced gold is not absorbed by a single country or a very small number of countries. In each individual country — and especially in those which hold a leading economic positions — a sound equilibrium should be maintained between costs and commodity prices. Before 1914 elasticity in the economic field was such that an adjustment of costs, also as regards the wage bill, could be effected rather rapidly. As a consequence of the first world war, but still more as a sequel to the great slump in 1930—1932, this elasticity was very considerably reduced, especially in the United States. As I tried to show in a previous article in this Quarterly, the relatively stable prices that prevailed on the world

market from 1932 to 1939 appear to have been determined by the conditions within the sterling group, whereas wage costs in the United States in 1933—34 and again in 1936—37 were raised in a way which had no parallel in the countries of the sterling group. In this way a glaring disproportion between commodity prices and costs arose in the American economic system; the lack of equilibrium extended also to purely domestic branches, such as the building trade. In order to cope with such fundamental disturbances by *purely monetary or financial means*, the current gold production did not suffice; for that purpose, factors of far greater magnitude were required. A turn of the tide came with the second world war and its immense additional purchasing power, which proved sufficient to restore the disturbed equilibrium, especially as deliberate caution was observed in regard to the increase in hourly rates, which play such an important part in the costs of production.

But the indebtedness resulting from a world war cannot, of course, be resorted to whenever an effort must be made to escape from a slump. It is therefore of the greatest importance to devise other means by which the desired result can be attained. If we examine what countries most rapidly coped with the severe depression which began in the autumn of 1929, we find, for example, that Australia, Sweden and Finland very soon had the gratification of recovered prosperity. As the well-known Australian economist Mr. Copland has shown, it was found possible to restore equilibrium in the Australian cost and price structure by the combination, on the one hand, of a reduction of wages and other costs and, on the other hand, of a financial expansion, comprising a devaluation of the Australian pound, lower rates of interest on loans and the organization of public works. A similar policy was adopted in Sweden, whereas in Finland the adjustment was effected without the aid of public works. The experience of these countries shows that a relatively moderate infusion of new monetary purchasing power well suffices to bring about a turn of the tide, *provided that* other means — especially a reduction of the costs of production — are concurrently adopted in order to attain equilibrium in the cost and price structure. If, on the other hand, we overlook the fact that the restoration of equilibrium is the main issue and if costs are actually forced up despite the slump, large amounts may be spent year after year on public works, as in the United States in the thirties, without coping with the slump and even without any marked reduction in unemployment.

Any attempt to eliminate the disturbances of equilibrium involved in a slump solely by means of an infusion of purchasing power will require such strong doses that public indebtedness will exceed the limit of what is permissible, so that, in many cases, the concern thus caused is greater than the encouragement given to new enterpise. If, on the other hand, a certain adjustment of costs is effected — or, at any rate, if due caution is observed in the increase of costs —, fresh purchasing power even in comparatively moderate amount may have a telling effect.

The great importance of an adjustment of costs should therefore not be overlooked. But the idea of an increase in purchasing power, especially when fitted in as a link in a general policy of equilibrium, should not be summarily dismissed. The attempts made during the years 1930—32 in the United States and Germany to restore equilibrium between costs and commodity prices solely by a reduction of wages proved in fact a complete failure, although the wages of industrial workers in those two countries were lowered by as much as 20 per cent., and those of agricultural labourers still more. As already pointed out, the increase of purchasing power will not in all circumstances proceed automatically. Much depends on the magnitude of the current gold production and its distribution among different countries. If this production should be found insufficient, or if the produced gold should find its way merely to a few countries, other, more drastic, measures will perhaps have to be adopted to effect the financial expansion.

We should, however, guard against the idea that a general increase in wages is always the best and surest means of bringing about a rapid increase in the total national purchasing power. It is true, of course, that a rise in wages should run parallel with an increase in production, and should preferably occur as a consequence of a larger demand for labour. On the other hand, we

can set out from the assumption that a rise of wages, if adopted while the slump is still proceeding, will lead to a reduction in the total purchasing power. In modern communities the purchasing power of the general public consists mainly in the "wage bill" of the industrial workers, but also on the number of wage-earners. Should an increase in wage rates lead to a decrease of employment, the natural consequence will be a reduction of the total wage bill, besides which, rising wage costs will doubtless render it more difficult to recover the equilibrium in the cost and price structure.

One sometimes hears the argument that a rise of wages, by involving, as is supposed, a transmission of purchasing power from the better situated classes to the masses, affords some guarantee that the said purchasing power will really be utilized, seeing that the workpeople, as is stated, "save" a smaller part of their income than the more well-to-do classes; the rise in wages should, it is presumed, lead to a larger effective demand for goods and services. It is, however, very doubtful whether, with the present incidence of taxation, the richer classes are in a position to save a so much larger part of their income than other classes. An investigation of the conditions in England during the nineteenthirties has shown that, if due allowance is made for the death duties, the richer classes could not show any net saving at all — and in other countries the tendency seems to have gone in the same direction. For Great Britain as a whole, the saving in 1938 amounted merely to 5 per cent. of the national income — a sadly *low* figure. It is really quite a mistake to try and bring about an extension of the monetary purchasing power by reducing the current saving. For the individual, as for the nation at large, it is important that saving should proceed. It is being generally realized that the fears of a lack of opportunities for investment, so often expressed in America, are on the whole imaginary. Increased saving (and corresponding investments) should be accompanied by an increase in the national purchasing power. To obtain such an increase as a rule does not present any great difficulty — it is often brought about by a copious influx of gold —, but in certain emergencies, as above indicated, more drastic measures may be found necessary; such measures should then be taken without hesitation, as a repetition of the severe slump of the years 1930—1933 should certainly be avoided.

For the moment, however, it is not a lack of monetary purchasing power that is causing us concern, but exactly the reverse condition: a superfluity of purchasing power remains as a survival from the inflationary financing during the war. In certain countries attempts have been made to withdraw part of the superfluous note circulation and to reduce the sums deposited on bank accounts. Generally speaking, such measures have scarcely led to the curtailment of the volume of purchasing power that had been hoped for. Experience shows that the current demand for goods and services depends especially on the wages paid and the profits gained, and that moderation in these respects is by no means easily attained in countries which are still embarrassed by a marked shortage of goods.

With the exception of the countries that have been most severely hit by the war, there is a distinct boom all over the world. According to the much-discussed principles adopted in Sweden and several other countries for the rational framing of budget policy with a view to the equalization of economic fluctuations, during a boom with almost more than full employment the budget should be "overbalanced", that is, should show a considerable surplus. It often happens that people do not realize that a boom has existed, until a sweeping change has already occurred. On this occasion, however, there need be no doubt about the existence of a boom. In such circumstances, it should be incumbent on the Governments to see that a budgetary surplus is obtained; they should, in fact, seize the opportunity drastically to reduce the expenditure forced up by the war. Moreover, they should defer the execution of all not really urgent projects and thus not only relieve the present heavy strain on the national resources, but also increase the reserve of public works which should be available as a resort in the event of a slump, when it will again become necessary to ensure, by suitable means, the fullest possible employment.

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SWEDISH SHIPBUILDING

BY HILDING NIELSEN, MANAGING DIRECTOR OF ÖRESUNDSVARVET AB. (THE ÖRESUND SHIPYARD COMPANY), LANDSKRONA

Swedish shipbuilding since the former world war, as is illustrated by the accompanying diagrams, has undergone a rapid development. The first diagram shows the production of tonnage during the years 1919 to 1945. The curve is based on Lloyd's Register's Statistics of annually launched vessels, in gross tons. From 1919 to 1939 the gross tonnage launched in Sweden increased from roughly 50,000 to 200,000 per annum, or by 300 per cent. After 1939 a marked decrease ensued, which is explained by the shortage of rolled material in consequence of the blockade during the second world war, as well as by the larger orders for the building of war vessels, which absorbed part of the capacity of the yards. In 1945 the tonnage launched, owing to the labour dispute in the engineering workshops, which lasted 5 months, dwindled to about 120,000 gross tons. The output per month during the time when the work was proceeding, however, corresponded to a year's production of 200,000 tons, or approximately the same as in the last prewar year.

Diagram 2 shows the tonnage annually launched in Sweden in percentage of the world production during the years 1919 to 1938 (the last year in respect of which figures for the world production are available). This curve likewise shows a marked rising tendency, culminating in 1933, when the output in Sweden corresponded to 12 per cent. of the world production. This was a dark year for shipbuilding, and the fact that Sweden's share was so large indicates that the Swedish shipyards had been well able to hold their own in the competition. If we survey the whole period comprised by the curve, it will be found that the percentage had risen from about 0.7 % in 1919 to about 5 % in 1938, which must be considered a remarkably big increase.

It may be of interest to follow also the fluctuations in the number of shipyard workers since 1919. The figures are shown in diagram 3, which gives the number of workers at the 8 largest shipyards during the years 1919 to 1944 (data for 1945 are not yet available).

This curve, as also that for the production of tonnage (diagram 1) indicates how sentitive the shipbuilding trade is to economic oscillations. From 1920 to 1922 the number of workers fell by nearly 60 per cent., and from 1930 to 1932 (years marked by a slump) by about 50 per cent. Broadly speaking, however, the curve shows a rising course, though not so steep as the curve for the production of tonnage. From this it may be inferred that the output per worker had consider-

Diagram 1. Tonnage Launched in Sweden.
(Annual gross tons.)

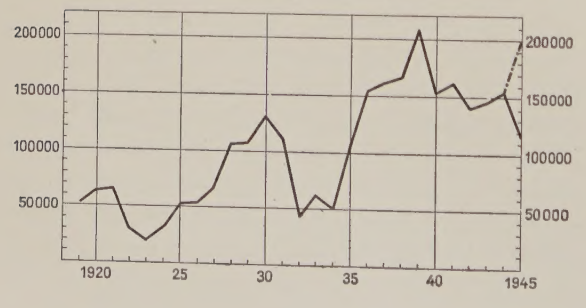
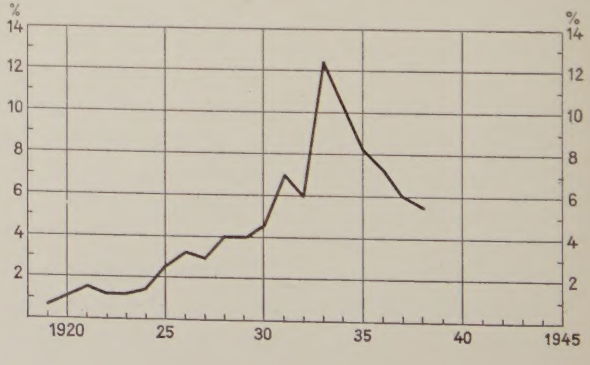


Diagram 2. Swedish Production of Tonnage Launched in Percentage of World Production.

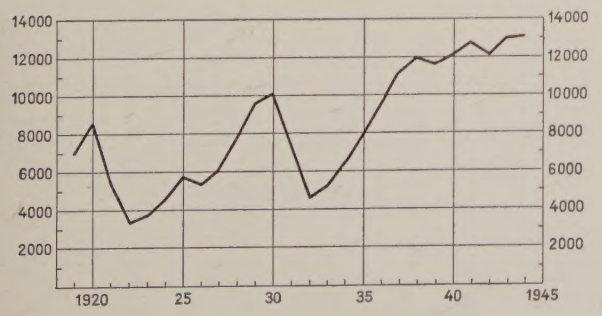


ably increased, though it should be noted that the curve for the number of workers refers to the 8 largest yards only, whereas the tonnage curve applies to all of them, and that, besides shipbuilding, the shipyards undertake also repairs. However, the 8 largest yards employ about 90 per cent. of the total number of workers engaged in this trade and build the major part of the new vessels, whence they must be considered to be fully representative of Swedish shipbuilding. Repair work shows, broadly speaking, the same tendency as shipbuilding, thus an increase during the period in question.

It is, of course, gratifying to note that the output per worker has increased, and in a very marked degree. Whilst the number of workers at the 8 large yards increased from about 7,000 in 1919 to approximately 11,500 in 1939, or by 65 per cent., the production of tonnage, as above mentioned, rose by no less than 300 per cent. during the same period. This increase in output appears to be due to continuous rationalization, especially in regard to equipment with conveying and transporting devices, cranes and machine tools as well as the introduction of new methods of work, such as electric welding.

In Sweden there are at present 15 shipyards with a staff of over 100 workers. In addition, there are a number of smaller yards, engaged mainly in the building of small craft, such as fishing vessels, motor and sailing yachts, barges and the like, as well as in repairs. In 1944 the 15 larger yards employed, altogether, 14,700 workers and possessed 43 stocks, 12 drydocks, and 10 floating docks, besides a number of patent slip ways.

Diagram 3. Number of Workers at the Eight Largest Shipyards.



The chief shipbuilding centre is Göteborg. In 1944 about 7,500 workers were employed there at four yards, namely Eriksberg, Götaverken, Lindholmen and Lödöse. Next in importance comes Malmö, where one shipyard, Kockums, employed about 3,000 workers. Then follow Stockholm and Landskrona with approximately 1,000 workers each, in Stockholm at three shipyards, Ekensberg, Finnboda, and Hammarbyverken, in Landskrona at one, namely Öresundsvarvet. Next in order comes Oskarshamn's shipyard, which in 1944 employed about 800 hands. Finally, we note the shipyards at Helsingborg, Gefle, Kalmar, Marstrand and Sölvesborg, each of which employ between 150 and 500 men.

A noteworthy fact is the concentration of shipbuilding on the west coast of Sweden. Out of the total number of workers at the 15 larger shipyards in 1944, 83 per cent. were employed at the westcoast yards. This appears to be partly due to the climatic conditions: the winters are milder and ice barriers rarely occur. In an accompanying table some figures are given for the resources of the different shipbuilding centres: they strikingly show the dominant importance of the west-coast shipyards in regard to building capacity and docking facilities.

In Sweden, as elsewhere, shipbuilding is a key industry. Calculations have shown that, out of the building cost of a merchant vessel, about 40 to 50 per cent. is accounted for by wages paid in other industries, which supply finished products or semi-manufactures to the yards. Thus, despite the relatively small number of workers employed at the actual yards, shipbuilding is of very great importance for national industry, and, in this respect, is comparable, in some measure, with the building trade. Under normal conditions, the Swedish shipyards import part of their requisites. For example, before the second world war, rolled materials, notably sheet metal and bars, were bought mainly from the Continent, but also from England and the United States. Equipment of various kinds as well as steel castings, forgings, tubes, and the like, were imported. During the second world war, owing to the blockade, the Swedish shipyards were cut off from their normal sources of supply, and manufactures for the requirements of the yards were started at

Table showing capacity of stocks, docking facilities and quay lengths.

Shipbuildning centre	Capacity of stocks in tons d.w.		Docking facilities				Quay length
			Floating docks (lifting power)		Dry docks (d.w.)		
	Total	Largest vessel	Total	Heaviest vessel	Total	Largest vessel	
Marstrand	1,000	1,000	—	—	—	—	360
Göteborg	216,500	30,000	60,000	22,500	15,000	15,000	4,320
Hälsingborg	4,000	4,000	—	—	8,000	5,000	290
Landskrona	42,000	25,000	2,000	2,000	25,000	25,000	500
Malmö	135,000	30,000	—	—	19,000	17,000	1,200
Sölvesborg	4,200	3,000	—	—	3,000	3,000	100
Kalmar	1,600	800	—	—	—	—	200
Oskarshamn	12,000	6,000	—	—	11,000	7,000	620
Stockholm	23,000	8,000	12,600	8,000	17,000	10,000	2,100
Gävle	4,000	4,000	—	—	—	—	250
Total	**443,300**	—	**74,600**	—	**98,000**	—	**9,940**

home. It was found that Swedish industries, on the whole, could supply the requirements of the shipyards. The chief problem was to procure rolled material, but the most urgent needs were met by importation from Germany. That the Swedish iron works were unable to supply the entire requirements was due not to actual lack of capacity, but rather to the temporary shortage of fuel, which, of course, has tended to restrict production.

It has already been shown that the production of the Swedish shipyards had rapidly increased since the former world war, and that the increase had been largely due to extensive rationalization. This tendency continued during the past war. Electric welding, in particular, has been gaining ground, and most of the vessels being built in Sweden are now entirely or partly welded. The adoption of the welding process has involved the rationalization of transporting devices and workshops; a number of shipyards, fully realizing this, have erected new plate shops and stocks, planned for the effective utilization of welding. The result is that the Swedish shipyards have enlarged, and are further enlarging, their capacity. According to the accompanying table, the capacity of the stocks is now about 440,000 tons d. w. Thus, on the assumption that this capacity can be utilized merely as to about half, ca 220,000 tons (d. w.) would simultaneously be in course of building. However, the normal building time on the stocks is about six months, whence approximately 440,000 tons d. w., corresponding to 275,000 gross tons, could be produced per annum. As the maximum annual output in Sweden before the second world war was approximately 200,000 gross tons, this would involve an increase of about 37 per cent.

According to reports from the 15 larger shipyards, the orders in hand as at the 31st December 1945 amounted altogether to 865,000 gross tons. As the vessels in question are to be delivered in the middle of 1949 (which means that the orders are to be executed in the course of about $3^1/_2$ years), this is equivalent to an output of approximately 250,000 gross tons per annum, which tallies rather well with the estimate based on the capacity of the stocks.

With orders in hand for $3^1/_2$ years ahead, the Swedish shipyards are in a good position and can look forward with assurance to the near future. However, we must reckon with the possibility that the shipyards may eventually be confronted with a severe slump. It will therefore be necessary to continue rationalization, so that the strain of the anticipated bad times can be borne, and that the development of shipbuilding can continue, for the benefit of the whole national industry.

REJUVENATION TENDENCIES IN THE SWEDISH POPULATION

BY K.-G. HAGSTROEM, D. SC.

Recent developments have shown the uncertainty of statistical forecasts of the population trend, in that the disastrously falling natality has now given place to a rising birth rate. In the public discussion of the subject, the previously pessimistic attitude has been cast aside in view of the large number of births during the last few years, and the indubitable consequences which are bound to ensue from the low birth rate of the nineteen-thirties are now liable to be forgotten. People are also too liable to overlook the fact that the year-classes who in the nineteen-nineties will be heavily burdened with old-age maintenance are for the most part still unborn. We can therefore know nothing about their destinies, we are still quite uncertain even about their origin. How far will they be children of Swedish parents, of immigrated races, or themselves be born outside the borders of this country?

The possibilities of immigration disturb any attempt to judge in detail the problems of the decreasing population. The experiences from *e.g.* France teach us that the vacuum entailed by a low birth rate tends, in a marked degree, to attract immigrants. But, before this question becomes imminent, we must know whether it is probable that a vacuum will arise. In the first place, therefore, we are always reduced to the necessity of studying the future destinies of the existing population.

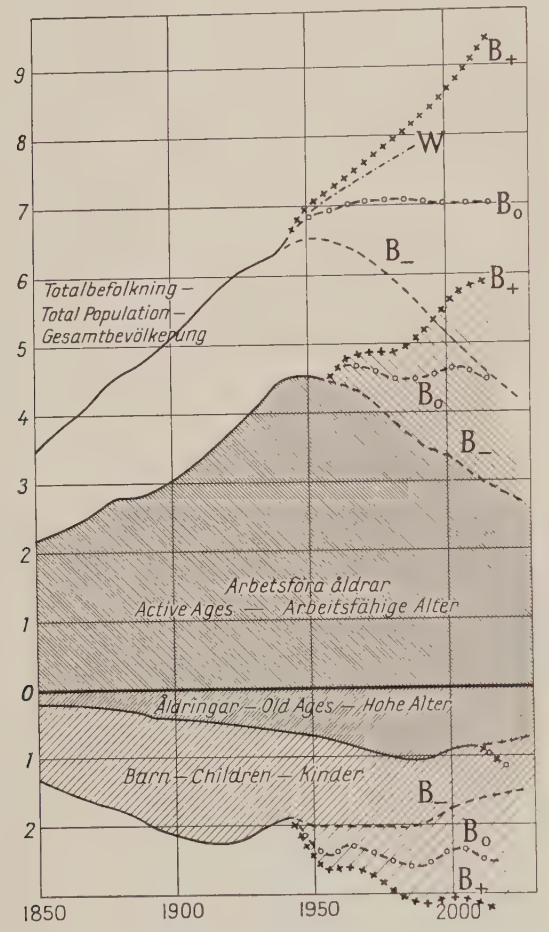
In the January 1945 issue of this Quarterly, the problems of old-age maintenance and the interest burden of the national debt on future generations were discussed on the basis of certain assumptions regarding the population trend. As the discussion mainly issued in a pessimistic forecast of the population trend, it may be of interest to follow up the discussion, viewed against the background of the unmistakeable tendency towards a rejuvenation of the population indicated by the large number of births in recent years.

Instead of entangling ourselves in an extensive examination of the arguments for and against a high future birth rate, we shall now discuss, instead, alternative assumptions, which may be said to indicate the *limits* within which the real truth about future developments should be contained. We shall set up, in fact, *three essentially different hypotheses* about the future birth rate. The previously made pessimistic forecast of the population trend, designated in the above-mentioned article as hypothesis B, but which here will be termed B_-, will now be supplemented by two *more optimistic* assumptions, namely hypothesis B_+, according to which it is supposed that the fertility will increase throughout and for all futurity by 50 per cent., and hypothesis B_0, in which a 50 per cent. increase in fertility is assumed to be merely temporary, the rate of increase afterwards falling to 25 per cent. For this latter assumption there is a certain statistical basis, notably that the high birth rate during the years 1941 to 1945, inclusive, may be considered, so to speak, to have been "saved up", in view of the previously restrained frequency of marriage, which showed a marked increase during the war.

The result of the three widely different hypotheses is shown, as regards the population trend, in diagram 1. In addition, a curve indicating the development of the burden of maintenance under the three different assumptions is reproduced in diagram 2. What first strikes us is the level to which the burden of old-age maintenance rises, even on the basis of the most optimistic assumption. This phenomenon will be discussed below.

In judging certain population questions, it is,

1. Population trend according to different hypotheses.
(Million souls.)



Explanations of the graph.

Out of the different hypotheses, B_+ is markedly optimistic, B_- markedly pessimistic, whilst B_0 holds an intermediate position. (For detailed description, see the text). W denotes the population trend according to Professor Wahlund (Social Care Comittee).

Above the zero line, the graph shows the distribution of the population in active and non-active ages. Below the zero line, the last-mentioned ages are grouped according to old persons and children.

however, a matter of very great importance, *which* of our three hypotheses is considered likely to be realized. Such a question is the development of the labour market, another the need of schools and of a trained teaching staff. Some data which will serve to throw light on these matters will be found in the following table.

Influx to the labour market and to the schools.

Official statistics.

Year	Age-groups 15–25 years, reckoned per thousand (Supply of juvenile labour)	Age-groups 5–10 years, reckoned per thousand (Entry into school age)
1890	781.5	523.1
1900	910.8	547.8
1910	970.0	581.6
1920	1,065.6	573.5
1930	1,113.7	524.9
1935	1,094.2	448.4
1940	1,058.4	409.2
1943	1,016.4	419.1

Forecast according to the stated alternatives.

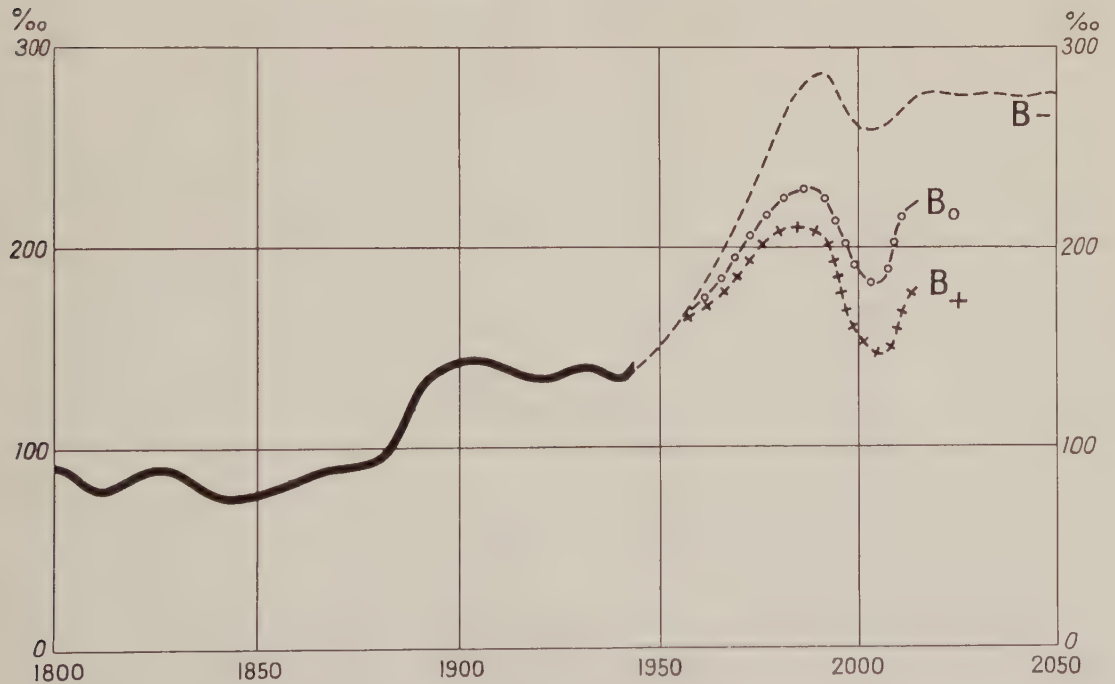
	B_-	B_0	B_+	B_-	B_0	B_+
1945	956.5	956.5	956.5	441.4	441.4	441.4
1950	841.4	841.4	841.4	441.4	662.1	662.1
1955	834.1	834.1	834.1	425.8	532.3	638.8
1960	865.6	1,083.4	1,083.4	398.4	498.0	597.6
1965	850.2	1,170.3	1,275.4	378.4	473.0	567.6
1970	807.8	1,009.8	1,211.8	360.9	496.2	595.2
1975	761.3	951.5	1,141.7	345.0	497.6	623.2
1980	724.7	950.1	1,087.1	336.7	506.6	658.3
1985	691.9	974.1	1,142.4	331.7	518.5	694.9
1990	668.1	984.5	1,256.5	318.6	528.4	717.0
1995	655.2	1,005.2	1,326.8	303.3	496.5	708.3
2000	637.3	1,026.4	1,384.3	289.2	491.7	713.8

One of the inevitable consequences of the preceding population trend, (the exceptionally low birth rate of the nineteen-thirties) is the decrease in the supply of juvenile labour which we are now witnessing. Its importance for the labour market is bound to be very great, even if allowance is made for some elasticity in the influx to the different vocations. On the left side of the table, figures are given illustrating the changes in this respect, as from the eighteen-nineties, with an extrapolation based on the present rate of mortality. The influx to the labour market is measured by the numbers of the year-groups which during the year in question were aged 15—16, 16—17 and so forth up to 24—25 years, thus corresponding altogether to ten year-groups of children born. It will be seen that these figures, which, for simplicity's sake, we regard as a gauge of the number of *juvenile applicants for work*, show a continuous increase down to the

year 1930. Thus, during the forty years' period 1890—1930 the numbers of these ten year-groups have increased from ca. 782,000 to ca. 1,114,000, or by 43 per cent. We are now in fact at the beginning of a period marked by a shortage of juvenile labour, and the decrease will continue till about 1960, when the higher birth rate will begin to make itself felt. About the year 1955 we can still scarcely reckon with more than 80 per cent. of the number of juvenile applicants for work which in 1940 and earlier was regarded as normal. Afterwards there should be a rapid improvement, but whether it will be permanent can be gathered only from our different birth-rate hypotheses. As may be seen from the table, the possibilities vary within very wide limits. By the end of the century the 10 year-groups may have diminished by 43 per cent. or have increased by 25 per cent., as compared with 1930. It is characteristic of future developments, however, that considerable fluctuations from one decade to another seem to be probable. This by no means improves the situation in economic respects, in that varying requirements will then manifest themselves in regard to rationalization, the importation of workers, the proportion between male and female labour, and so forth.

The difficulties will be found still more accentuated if we consider those special fields of work which are concerned with children, such as the schools or children's hospitals. The figures given on the right side of the above table show the size of the year-groups 5—10 years, being a rough gauge of the number of children in the lower school classes. About 1940 the school children were about 40 per cent. of the juvenile applicants for work (previously the proportion had been somewhat higher). In 1945 the proportion is estimated to have risen to 46 %, in 1950 to 78 %, in 1955 to have *decreased* to 64 %, if hypothesis B_0 is taken as a basis for the estimation, but only to 76 % if the optimists are right,

2. Development of age maintenance burden.



Note. The age maintenance burden is the ratio between the number of old persons (over 65 years) and the number of active persons (15—65 years). In the chart it has been given *promille* and accordingly shows the cost in kronor per active person for pensions of 1 000 kronor per old person, which now is the national pension for an unmarried person.

so that hypothesis B_+ would correspond to the real course of developments. These marked possibilities of variation will obviously complicate the planning of school buildings, the training of teaching staff, and so on. About the year 1950 it will, for example, be extremely difficult to obtain from the dwindling ranks of juvenile applicants for work a sufficient number of school teachers; and if this problem has been mastered, we may soon be confronted with changes which seem to render the previous efforts quite nugatory. Evidently, we must not be too optimistic in regard to the possibility of forecasting the future.

In the above-mentioned article in the January 1945 issue, the development of the burden of old-age maintenance was examined under the assumption of the pessimistic forecast B_-. The "burden of old-age maintenance" is the ratio between the number of old persons (over 65 years) and the number of persons fit for work (15 to 65 years), which implies that the burden has been expressed in the minimum of subsistence of old persons as a unit (irrespective of the purchasing value of the currency). In this calculation one disregards the question how far the pressure on the active persons consists in the obligation to pay interest on a capital employed in production and possessed by old persons (or, for their account, by pensions institutions), in which case the pressure may be considered to have been relieved. It was found that a maximum pressure would be reached about the year 1990, and that, in case of a definitely diminishing population, the burden would be considerably increased (owing to the annual diminution of the premium reserve). If now the optimists are right, and if a continuous rise of the birth rate will prevent a decrease of the population, can the misgivings about the overburdening of the active persons be dismissed from the discussion? Or, in view of the uncertainty in this regard, can perhaps nothing at all be stated about the development of the burden of maintenance?

Curiously enough, the uncertainty in this forecast is *less* than in regard to the more immediate problems just discussed. A glance at diagram 2 shows that *in all circumstances* the burden of old-age maintenance will increase considerably during the latter half of the present century. In short, the extreme assumptions regarding the future birth rate in hypotheses B_-, B_0 and $B+$ — shifting from undue pessimism to undue optimism —, will all result in showing a growing burden on active persons. The cost of old-age maintenance, owing to the balance between birth rate and mortality in the Swedish population, has been steadily increasing. In the 19th century one could reckon with 8 to 9 per cent. of the minimum of subsistence. Towards the end of that century the cost increased and during the first decades of the present century was maintained at about 14 per cent. A new rise can at present be noted, and towards the end of the century the burden will increase to a maximum of 20 per cent. in the most favourable case, and to over 28 per cent. according to pessimistic assumptions.

The chief difference between the different hypotheses, however, is that, according to the optimistic forecast, the calamitous additional burden of maintenance will, to some extent, be a transitory phenomenon. The greatly fluctuating curves, however, give the impression of marking the beginning of a "divergent process", that is, a development, in which the former stability will never be restored. The increase in the burden of old-age maintenance even at the beginning of the first stage towards the end of the 19th century seems to have acted as an inducement to a decrease of the birth rate, and this may be repeated.

In this connection, it may be desirable to consider also the question as to the maintenance of children under the age of 15 years. Let it be assumed that the minimum of subsistence in this case is, on an average, merely half of that for old persons. The increase in *the total burden of maintenance* can then be compared with the increase in the burden of old-age maintenance. It will be found that from 1950 to 1990 (setting aside possible changes in the purchasing value of the currency)

according to hypothesis	B_-,	B_0,	$B+$,
the burden of *old age* maintenance will rise by	90 %,	51 %,	33 %,
whilst the *total* burden of maintenance will rise by	42 %,	20 %,	19 %.

In order to make a forecast regarding the maximum, or the final, *level* of the burden of old-age maintenance, it will be necessary to choose between the different alternatives. If B_+ is regarded as an unduly optimistic alternative, we may venture to state, irrespectively of the hypotheses, that the maximal burden of maintenance during the latter half of the century will *at least* be increased by one-third; and that the total burden of maintenance will *at least* show an increase of 19 per cent.

Nor can any considerable alleviation in the costs of pensioning be effected by advancing the pension age. When the pension age is high as in the Swedish national pensions system (67 years, whereas, for statistical reasons, we have throughout reckoned with 65 years, ignoring the error thus entailed), not much will be gained by deferment, seeing that the percentage of disablement is always rather high at these ages.

It is thus quite evident that the maintenance of old persons is a problem the solution of which will, in any circumstances, require great efforts, whether attempts are made to cover the increase in costs solely by a larger production per worker, or, in addition, by retaining the workers in productive activity until a successively high pension age. In both these cases, of course, the aim will be to increase the national income at the same rate as the expenditure on pensions. Ultimately, therefore, this matter will be a problem of national finance, where failure will take the form of a marked depreciation in the purchasing value of the currency, so that the recently decided increase of national pensions would dwindle into insignificance or be completely effaced[1] — For the sake of completeness, it should be pointed out that the calculations made here have not been affected by this increase in the rates of national pension.

From a financial point of view, moreover, old-age maintenance is a question which has larger proportions than even the entire national debt, which at the end of the past year amounted to circa 11.55 milliard kronor. If an attempt had been made to settle the problem of old-age maintenance by investment, on an insurance basis, of the premium reserve, the fund required for providing old age pensions of 1,000 kr. as from the age of 65 years, at 3 % interest, would have amounted, in 1940, to 17.8 milliard kronor. In 1990 it would have increased to between 20 and 23 milliard kronor, depending on whether the estimates are based on the most optimistic or the most pessimistic of the above hypotheses regarding the population trend. The increase in the costs of old-age maintenance will thus absorb a greatly increasing share of the national income. The costs of national pensions are in any case of such an order of magnitude that they should constantly be taken into account in surveying the future balance between State revenue and expenditure. The premium reserve for national pensions is a public debt which should not be overlooked in drawing up the State balance sheet and in determining how far the national debt should be made "self-financing" by investment in productive real assets.

[1] In the writer's opinion, the financial problem of old-age maintenance can be best made clear by viewing it as an insurance in which the active person assumes his share of old-age maintenance in return for being himself supported in his old age. It would, however, carry us too far to follow up this view in detail.

SWEDEN'S IMPORTATION FROM GERMANY

BY VIKING KÄLLSTRÖM, SWEDISH BOARD OF TRADE

If we confine ourselves to the last hundred years, it may be noted that Germany's advance to the position as our principal trade partner occurred during the period when modern Swedish large-scale industry was being extended; presumably there is some connection between these developments, though it cannot easily be shown in statistics. At the beginning of the eighteen-seventies England, with nearly one-third of the total imports (reckoned in value), was still Sweden's principal supplier, but some ten years later Germany had already forged ahead to the leading position and in 1901—1904 supplied 38 per cent. of our imports, whilst England's share had fallen to 26 per cent. For wellknown reasons, Germany maintained this position also during the first world war, but, in consequence of her defeat, her export trade afterwards showed a marked decline. Thus, out of Sweden's exceptionally large importation — reckoned in value —, in 1920, merely 15 per cent. was derived from Germany.

Germany's recovery, however, proceeded rapidly, and during the following inter-war period she supplied about one-fourth of Sweden's imports, reckoned in value. The blockade of Sweden during the second world war, as we know, entailed the consequence that deliveries from Germany assumed dominant importance for Sweden's supplies. During this period about half of her imports came from the then extended Germany, culminating at 54 per cent. in 1941. The radical change during the final stage of the war and the immediately following period is brought into sharp relief when the last-mentioned percentage is compared with the corresponding figure for 1945, which was merely 8 per cent.

For the sake of comparability, all the above relative figures for the last forty years refer to Germany as a supplier. On the other hand, as a different system for the grouping of countries is now adopted in the Swedish statistics, all the figures in the following account refer to Germany as the country of *origin* of the imported goods. As an illustration of the disparity in the results according to the two different systems, it may be mentioned that, for the year 1938, the figure for Germany as a source of supply amounts to 499 million kronor, or 24 per cent. of Sweden's total imports, whereas the corresponding sum for Germany as a country of origin figures out at 454 million kronor, or 21.8 per cent. of the total importation. The difference, broadly speaking, should represent non-German goods imported into Sweden through the agency of German firms.

As this article is intended, in some measure, to throw light on the extent and importance of the German exports to Sweden during the period immediately preceding the second world war, the investigation will set out from 1938, being the last whole year of peace and a year that can be regarded as normal from an economic point of view. It may indeed be objected that imports during that year were somewhat larger than corresponded to Sweden's normal consumption, owing to the importation of certain goods as a precaution in view of the anticipation of a world war. Probably, however, the said additional importation favoured Germany less than the other countries, taken together.

An idea as to what classes of goods preponderated in Sweden's importation from Germany is given by the following tabular summary, which relates, as above indicated, to the year 1938.

	Total imports	Thereof from Germany	
	Mill. kr.	Mill. kr.	%
Machinery etc.	199.2	92.5	46.4
Non-precious metals and manufactures thereof	262.4	72.2	27.5
Textile materials and products thereof	290.3	63.3	21.8
Chemical products etc.	166.5	59.8	35.9
Minerals	372.5	42.8	11.5
Ships, vehicles, etc.	134.3	40.3	30.0
Instruments, etc.	35.6	16.7	46.9
Products of stone, clay, earths etc.	34.1	14.0	41.1

In regard to all the classes of goods included in the above table, with the exception of textile materials, minerals and means of transport, Germany was the leading supplier; this applies also to four groups of less importance, namely wood pulp, pasteboard and paper, boots and shoes, hats, etc. and precious metals, etc., as well as to sundry goods not classified, in the tariff, under special headings. In spite of the considerable importation of German mineral products, it represents in value, as we see, scarcely more than one-tenth of the corresponding total. As regards the other classes of goods included in the table, Germany's share is considerably larger. Germany's total exports to Sweden were distributed in the following proportion: machinery 20 %, ironworks products 16 %, textile materials 14 %, chemical products 13 %, etc.

A somewhat closer insight into the composition of the imports from Germany is given by the following table, in which twenty important classes of goods, divided into four main groups, are specified. The last column indicates the proportion which the German exports represent in the total importation of the goods in question.

	Metr. tons	Mill. kr.	%
Minerals, etc.			
Coke	577,000	19.56	31
Steam coal	357,000	8.09	9
Gas and coking coal	250,000	5.02	23
Lubricating oils	11,900	2.81	17
Chemical products			
Aniline dyes	1,080	9.72	69
Potassium salts	54,400	5.18	45
Sodium sulphate	72,200	3.79	54
Drugs	190	2.99	40
Soda	23,500	2.92	58
Common salt	85,700	2.10	31
Iron and steel goods			
Sections (incl. rails)	36,800	6.83	32
Pipes and tubes, cast	25,100	5.87	75
» » » other kinds	7,900	3.94	46
Thick and medium plates	18,500	4.22	28
Tinned plates	7,300	3.20	40
Machinery, etc.			
Internal combustion engines	490	3.79	45
Knitting machines	540	2.27	77
Wireless apparatus	460	3.47	30
Passenger cars	·	22.35	39
Aircraft	·	10.49	76

Besides, the classes of goods included in the table, the following may be mentioned: in the iron and steel group, pig iron, castings, wire, sheet-metal goods and tinware, iron framework as well as sundry manufactures and semi-manufactures of metal; in the machine group, boilers, printing-presses and various other industrial machinery, electrotechnical goods, such as generators, motors, special apparatus and conducting wire. In addition, a number of textile goods, such as silk and tissues containing silk, linoleum and other floor coverings, woollen tissues, hosiery, sewing thread and articles of clothing; also products of stone, clay, earths, etc., such as certain special bricks and tiles, porcelain and glassware; finally, instruments such as cameras, electric measuring apparatus, physical instruments, watches, clocks and grammophones.

The table indicates that, as regards such indispensable goods as pipes and tubes of iron and steel, aniline dyes, soda, hydrated sodium sulphate (Glauber salt) and Stassfurt potassium salts (the major part with 40 % potassium), Germany before the war used to supply over, or approximately, half of Sweden's total imports — not to mention the exceptional conditions during the blockade. There are also many other articles, not mentioned above, of small significance in figures, but nevertheless of very considerable importance for Sweden's supplies, in regard to which Germany had been the sole, or at any rate dominating, supplier.

Towards the end of 1944 commercial exchanges between Sweden and Germany began to be wound up; and the issue of the second world war, as we know, has entailed the consequence that

the latter country has been practically left out of the running as a supplier of goods to Sweden (the only noteworthy exception hitherto appears to be some supply of potassium salts from the Russian zone).

The above figures should suffice to give an indication of the gaps in Sweden's supplies which have thus arisen. Nor, at the time of writing, do the prospects of an early resumption of imports from Germany appear to be particularly promising. The elimination of these supplies of vital importance for this country has therefore compelled us to look out for compensation by the largest possible importation from other markets with which commercial exchanges can at present be carried on. As regards certain classes of goods, such a readjustment will probably meet with insuperable obstacles. If one hazarded an opinion regarding the prospects in this respect for the proximate future, mention might be made, for example, of coal and coke from Poland, Belgium, Holland, Czechoslovakia and the United States; lubricating oils from the United States, common salt from Holland, England and the Pyrenean Peninsula; Glauber salt from Belgium, soda from Norway, drugs from Switzerland and France; dyes from England and Switzerland; iron and steel as well as machinery and motor cars from the United States, England, Belgium and Switzerland; wireless apparatus from Holland, England and the United States. The capacity of several of the said countries for delivering supplies, however, owing to the war and its aftermath, will presumably be greatly reduced for a considerable time to come.

The question as to the possibilities of replacing the previous supply of German goods by domestic production will not be discussed here. In any case, we should reckon with the possibility that the elimination of imports from Germany for some time ahead will greatly weaken our position in regard to supplies.

THE ECONOMIC SITUATION DURING THE SECOND QUARTER OF 1946

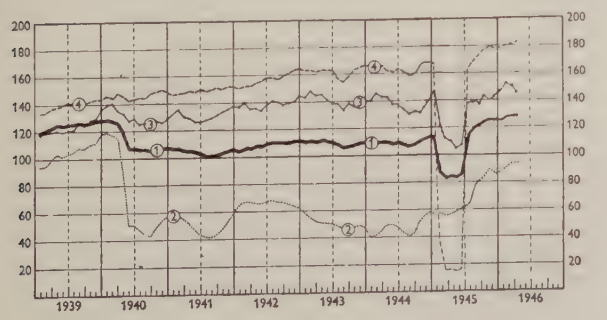
The General Situation. The volume of production and trade appear to have marked new records during the past quarter. Agriculture is being stimulated by the shortage of certain foodstuffs caused by measures for the relief of certain foreign countries, and is favoured by a better supply of fertilizers. The weather during the early summer was unusually favourable for farming. The production of industry proper has been proceeding on a larger scale than ever before, probably exceeding that of the last pre-war year by more than 10 per cent. House-building as well as industrial enlargments and equipment with new machinery have caused a large-scale demand for labour and capital; and the increase of foreign trade has conduced, in various ways, to stimulate business activity. The revival of export and import trade, as well as the larger output of the heavy industries, is reflected in the unusually severe strain on the carrying capacity of the railways.

Production, however, is being impeded by a shortage of labour, of imported fuel and of industrial raw materials and requisites. The shortage of material, it is feared, may also prevent the execution of plans for house-building. The output of the exporting wood industries (sawmills, pulp and paper mills) is considerably smaller than before the war and their export trade has been further curtailed by large orders from the home market. It seems now to be increasingly realized that a more cautious wage policy will be necessary if we are to avoid a price advance which would neutralize the nominal increases in wages and create difficulties in the event of a slump.

The situation on the labour market is characterized primarily by the fact that the growth of the population has well-nigh ceased. Moreover, about half of the increase in the female population of productive age is normally withheld from the labour market by marriage. Allowing for this fact, it has been estimated by the Planning Commission that the net increment to the labour market during the peace years 1935—1938 was approximately 34,000 persons per annum. During the war years 1940—1944 the figure was reduced to

Federation of Industries Production Index.
(1935 = 100.)

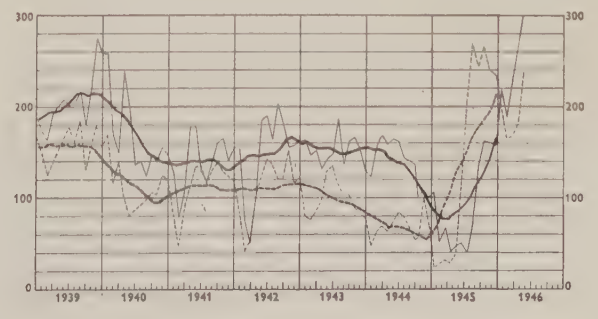
1. General Index.
2. Pulp and Paper Industries.
3. Iron and Steel Industry.
4. Engineering Industry.



Foreign Trade. (*Million Kr.*)

(Thick lines denote current 12-month averages.)

Mill. Kr. — Import. ····· Export. Mill. Kr.



13,300, and for the years 1945—1947 a further decrease to about 4,200 per annum may be expected. The present rate of increase of the population is thus insufficient for appointment of new workers on anything like the same scale as before the war.

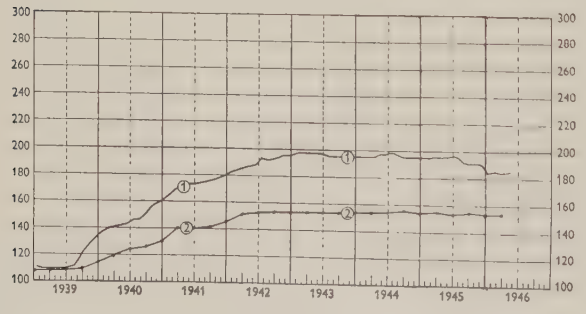
In this situation, house-building and industrial enlargements, as above indicated, have greatly increased the demand for labour. Immediately before the war we reckoned with 150,000 to 160,000 builder's workers. During the war this body of workers showed at times a marked shrinkage, but last year the figure had again risen, being estimated at 135,000 men. The building works now planned and authorized would require an increase in the staff of workers by another 30,000 men. In addition, there are a considerable number of intended buildings in respect of which applications for permits have not yet been dealt finally with. Another very important circumstance is that the supply of foreign building materials is now much smaller than before the war. Larger orders than usual have therefore been placed with domestic industries closely associated with the building trade, thus indirectly increasing the home demand for labour. The gravitation of workers to the building trades has entailed a serious shortage in other branches. The continual transfer of workers from one occupation to another causes disturbances in production and tends especially to reduce the supply of skilled labour. Moreover, the higher wages paid in connection with these transfers inevitably conduce to increase the cost of production. As regards agriculture, the resulting shortage of labourers has led to applications for the grant of leave of absence to conscripts, for the purpose of assistance in farm work.

Another serious impediment to industrial production is the shortage of fuel, which is *i. a.* particularly noticeable in the iron works, in that the output of pig iron has been greatly reduced by the lack of blast-furnace coal. The importation of coal and coke, which had been almost suspended from October 1944 to the end of July 1945, afterwards slowly increased. During the first five months of 1946, however, it amounted merely to 1.18 mill. tons, as compared with 2.79 and 3.20 million tons during the same period in 1938 and 1939.

From what has been stated above regarding the revival of building activity and industrial investments, it may be gathered that the branches of industrial production which could show a particularly marked increase in output would be the iron works and engineering workshops. In fact, according to the figures published by the Federation of Swedish Industries, this increase amounted to 29 and 39 per cent., respectively, during the period 1938 to April 1946. As regards the foodstuff industries, the average volume of production is approximately unchanged, whilst the textile and clothing industries show an increase in production averaging 6 per cent. for the same period. As regards the exporting sawmills as well as the

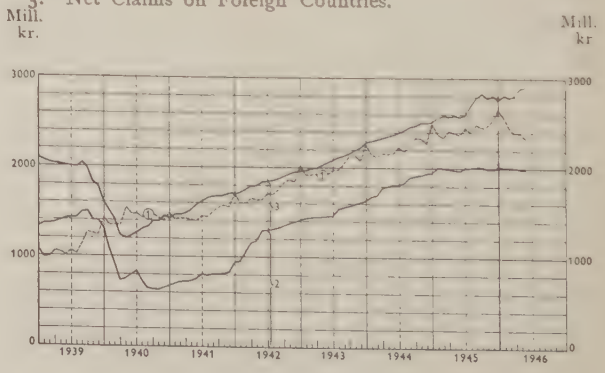
Wholesale Price and Cost of Living Indices. (1935 = 100.)

1. Wholesale Price Index.
2. Cost of Living Index.



The Riksbank's Note Circulation and Gold and Foreign Exchange Holdings. (Million Kr.)

1. Note Circulation.
2. Gold Stock (Market value).
3. Net Claims on Foreign Countries.



pulp and paper mills, on the other hand, the output has shown a decrease of 14 and 10 per cent., respectively. Out of the production of the sawmills, 400,000 standards of sawn and planed wood goods have been reserved for export, whilst it is estimated that 600,000 standards will be consumed by the domestic building market. The output of the pulp mills, intended for sale, amounted last year to 1.15 million tons, or about 50 per cent. of their capacity, and is expected this year to rise to 1.50 million tons (65 per cent. of the capacity). The domestic paper market is characterized by the fact that the consumption during the war increased from about 250,000 to about 500,000 tons, being thus approximately doubled.

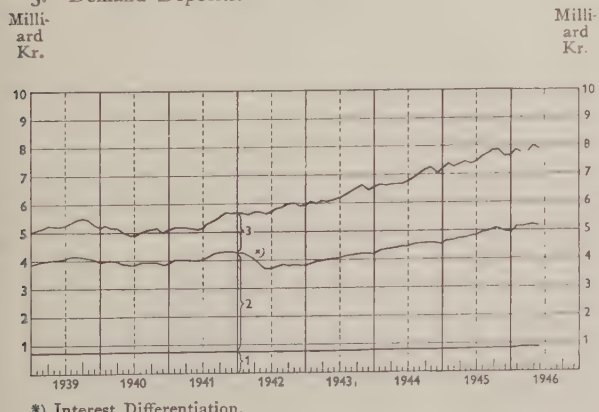
Foreign trade last year, for the first time since 1929, showed a surplus of exports. For the last few peace-years there was a surplus of imports amounting to a few per cent. of the total value of Sweden's foreign trade. During the twelve months immediately succeeding the armistice in Europe (June 1945—May 1946), on the other hand, Swedish foreign trade has yielded an export surplus of about 29 per cent. Export trade, which at first had the advantage of export credits and stocks of manufactures intended for exports, subsequently showed a relative decline, so that from the beginning of the present year there is again a surplus of imports, which cannot be regarded merely as a seasonal phenomenon. The relative decline of the export trade is due partly to the above-mentioned limitation of the export resources of the wood industries, partly to import restrictions abroad.

	Imports	Exports	Surplus of imports
	Million kronor		
Jan.—May 1939	937	730	207
» » 1940	1,009	608	401
» » 1941	664	464	200
» » 1942	560	405	155
» » 1943	736	458	278
» » 1944	769	314	455
» » 1945	314	142	172
» » 1946	1,200	948	252

The foreign exchange position is, of course, greatly affected by State credits and payments agreements with other countries. A consequence of the credit agreements is that foreign exchange is not being received at present for certain exports, whereas the result of the payments agreements is that export entails the accumulation of assets in the currency of the other country. The principal payments agreement was that concluded with Great Britain in March 1945 for a period of five years. It was anticipated that, in virtue of this agreement, Sweden would have a surplus of claims in pounds, which was to be used only for payments to countries in the sterling area (broadly corresponding to the British Commonwealth, with the exception of Canada). The

Capital Funds and Deposits of the Commercial Banks. (Milliard Kr.)

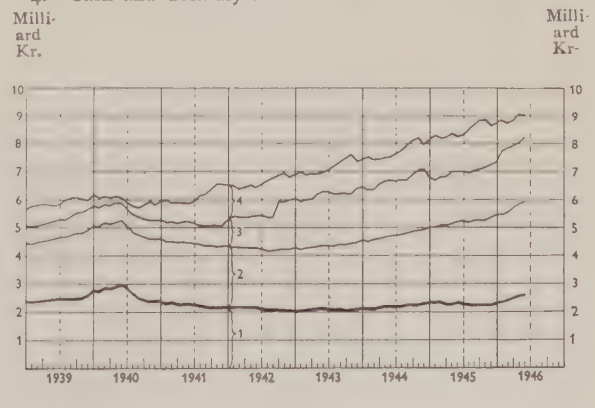
1. Capital Funds.
2. Long-term Deposits.
3. Demand Deposits.



*) Interest Differentiation.

Investments of the Commercial Banks. (Milliard Kr.)

1. Shares, Bills and Loans. (Exclusive of Advances against Mortgages and Bonds.)
2. Mortgage Loans.
3. Bond Investments and Advances on Bonds.
4. Cash and Treasury Bills.



surplus was to be regulated by trade arrangements adopted for comparatively short periods.

When the first twelve month's period expired in April 1946, it was reported that the actual payments had entailed the result that Sweden's sterling assets in virtue of the agreement had increased by an amount of approximately 350 to 370 million kronor, or ca. 21 to 22 million pounds, of which about 100 million kronor, or 6 million pounds, consisted of freight earnings. For the following twelve months' period the amount in sterling that was then to be taken over by the Riksbank was limited to 15—16 million pounds, or approximately 254 to 270 million kronor, as a maximum. Moreover, by a special agreement in June 1945, Sweden had declared herself prepared to take over from Norway up to 160 million kronor in sterling in payment for ordered ships and the training of Norwegian police troops. Thus, according to these agreements, the maximum limit for the increase in sterling assets would be about 800 million kronor, and the limit for the increase up to May 1946 somewhat more than 500 million kronor.

The increase in the Riksbank holdings of gold and foreign exchange during the period from the entry into force of Anglo-Swedish payments agreement is shown by the following table.

By way of comparison, it may be mentioned that the note circulation at the end of May amounted to 2.45 milliard kronor.

Mill. kr.	30/4 1945	30/4 1946	30/5 1946
Gold (market value) . . .	1,983	1,998	1,988
Net claims on foreign countries[1] (book value) . . .	604	897	916
	2,587	2,895	2,904

[1] The above figures for net claims are the balance of items included in determining the secondary note cover. In addition, the Riksbank holds over 100 million kronor in other foreign assets.

As stated in the preceding quarterly survey, bank deposits during the first quarter were fairly stable. This statement is confirmed by now available statistics, which show that the deposits in banks and agricultural credit institutes at the end of March amounted to 13.77 milliard kronor, as compared with 13.75 and 13.09 milliard, respectively, a quarter and a year earlier.

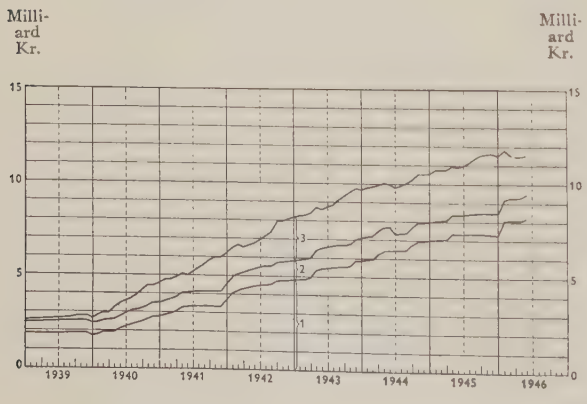
Deposits in banks and in agricultural credit institutes in Sweden (Mill. kr.)

	31/12 1938	30/3 1945	31/12 1945	30/3 1946
Commercial Banks . .	4,041	6,368	6,669	6,768
Savings Banks . . .	3,685	5,247	5,468	5,318
Post Office Savings Bank	618	1,301	1,422	1,475
Agricultural Credit Institutes	59	174	193	212
Total	8,403	13,090	13,752	13,773

As regards the commercial banks in particular, deposits have shown a markedly rising tendency, namely by 100 million kronor during the first quarter and 100 million kronor from the beginning of April to the end of May. Advances during the same period increased by 500 and 234 million kronor, respectively, with the consequence that

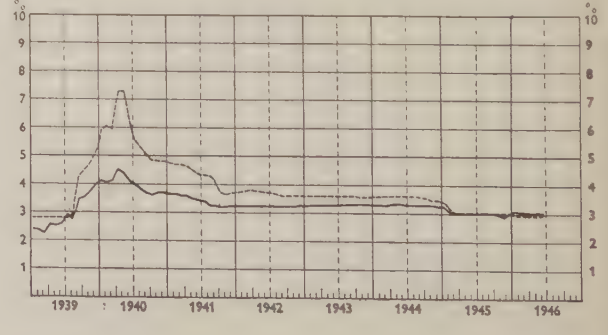
The Government Debt. (Milliard Kr.)

1. Bond Loans.
2. Other Funded Debt.
3. Floating Debt.



Bond Yields.

— 3 % Government Bonds.
--- 3 % Industrial Bonds.



the surplus of deposits dwindled from 906 million kronor at the beginning of the year to 373 million kronor at the end of May. Owing to the absolute and relative increase in the demand for credit, which is connected, to some extent, with foreign business, the liquid funds, cash and treasury bills of the commercial banks have been reduced to a total of 1,423 million kronor at the beginning of the year to 802 million kronor at the end of May.

Position of Commercial Banks.

	1945	1946			
Assets (in mill. kr.)	May	Feb.	Mar.	Apr.	May
Cash	252	249	315	378	234
Treasury bills	976	665	537	594	568
Swedish bonds	1,159	1,221	1,213	1,220	1.236
Advances in Sweden	5,342	6,121	6,260	6,381	6,494
Assets abroad	76	139	122	108	117
Sundry accounts	505	477	525	476	545
Total	8,310	8,872	8,972	9,157	9,194
Thereof, Swedish bonds and treasury bills	2,135	1,886	1,750	1,814	1,804
Liabilities (in mill. kr.)					
Deposits in Sweden	6,377	6,714	6,768	6,898	6,867
Liabilities abroad	239	426	436	456	463
Share capital and reserve funds	828	840	847	849	849
Sundry accounts	866	892	921	954	1,015
Total	8,310	8,872	8,972	9,157	9,194

Foreign Exchange Market. Dealings in pounds and dollars are still continuing on a considerable scale. On the 17th May the buying and selling rates for the pound sterling were changed from 16.85 and 16.95 to 16.88 and 16.92, respectively. The buying rate for the dollar, telegraphic and cheques, was at the same time raised from 4.18 to 4.19 and from 4.17 to 4.18, respectively. Changes have also occurred in the exchange rates for Argentine pesos, which have fluctuated between 103.75 and 104.75.

The Stock Market. The interest in shares has been maintained by a mainly favourable industrial situation, which has also been manifested in the published directors' reports. The increasing apprehension of an inflationary movement of prices seems also to have conduced to a greater demand for shares and a rising tendency in share prices. According to the accompanying statistics for the period $^{15}/_{3}$—$^{15}/_{6}$ 1946, the prices for the shares of home industries and other industries had risen during the said period by 3 and 2 per cent., respectively, whereas bank shares were noted at the same average prices in March and June. It should be noted, however, that the dividends had largely been cashed in the intervening time. The rather considerable issues of shares during the spring gave rise, at times, to very extensive dealings in subscription rights. Since the end of the last quarter the following issues of bonus shares as well as new issues have been announced.

Issues of bonus shares.

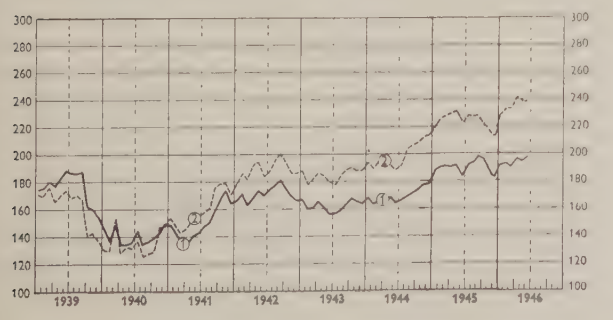
		Mill. kr.
Rederiab. Transatlantic (Shipping)	1 share to 4 existing ordinary shares	3
Stockholms Enskilda Bank AB.	5 preference shares of 100 kr. to each existing share of 1,000 kr.	22.5
AB. Ljungströms Ångturbin	1 shares to 5 existing ones	0.25

New Issues.

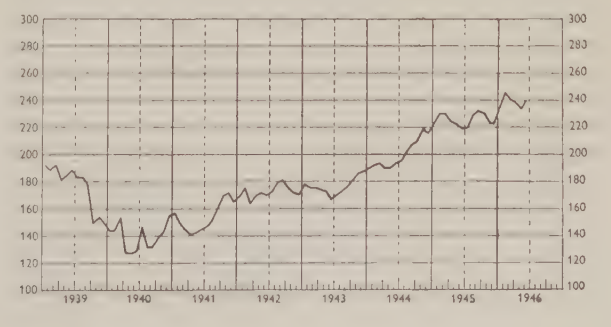
	Mill. kr.	Price in %
AB Svenska Metallverken 8.175 (face value) 1 share to 2 existing		133.33
Uddeholms AB. 15.5 (face value) 1 share to 4 existing		125

Industrial Share Indices.

1. Home Market Industry.
2. Other Industry.



Bank Share Index.



Share Index.	1939 Jan.	1940 Jan.	1941 Jan.	1942 Jan.	1943 Jan.	1944 Jan.	1945 Apr.	1945 July	1945 Sep.	1945 Dec.	1946 Jan.	1946 Feb.	1946 Mar.	1946 Apr.	1946 May	1946 June
Home industries	175	145	148	166	168	168	190	192	198	183	192	193	190	195	194	196
Other industries	171	130	155	178	188	195	230	228	228	214	228	233	233	241	238	237
Of which																
Grängesberg Company	191	131	155	189	191	190	220	212	215	188	200	209	203	220	213	228
Exporting engineering industries	195	133	161	187	191	209	240	242	244	224	239	241	244	251	249	253
Other, including iron and steel ind.	181	138	170	188	188	181	206	205	208	199	209	216	216	218	211	217
Wood-goods and pulp ind.	124	104	119	135	153	160	204	195	194	187	200	205	205	212	209	217
Combined wood and iron ind.	200	184	211	250	278	288	338	345	332	319	344	354	350	366	364	301
Banks	192	143	156	169	178	190	224	220	232	223	234	245	240	238	234	240

Note. Where not otherwise stated, the figures are for the middle of the month.

In addition, according to an agreement for the fusion of the Swedish American Line and the Swedish American Mexico Line, the shareholders in the first-mentioned shipping company are entitled to exchange 10 shares for 7 shares in the latter company, with a cash bonus of kr. 59 per share.

Finally, considerable material for investment has been supplied to the market, in that Svenska Cellulosa AB. (the Swedish Pulp Company), through Svenska Handelsbanken, have sold their holding of 22,000 shares in Bergvik and Ala Nya AB. at a price of 360 kr. per share, and that the said bank, out of its share holdings, has sold 80,000 shares in Fagersta Bruks AB. at a price of 163 kr. per share (170 kr. inclusive of dividend coupon). The shares thus sold are equivalent to a total value of 21.5 million kronor.

The Bond Market. After a lull in bond issues during the last quarter of 1945, the bond market in the course of the first quarter of this year has received a considerable accretion by the large 3 % Government loan then floated, the subscriptions to which amounted to 873.8 million kronor. At the end of March Government bonds in circulation exceeded a total of 8 milliard kronor, and the remaining stock of bonds amounted to $3^2/_3$ milliards. By the end of May the Government bond debt had swollen to 8.19 milliard kronor and the total Government debt to 11.52 milliard kronor.

Bond loans in circulation (in mill. kr.)

	1/1 1938	31/12 1945	30/3 1946
Swedish Government	1,841	7,293	8,057
Mortgage banks	1,919	2,502	2,512
Municipalities	413	561	551
Industrial and traffic companies etc.	1,119	610	600
Total	5,292	10,966	11,720

Owing to the large subscriptions to the Government loan issued in the first quarter, several of the big investors, including various insurance companies, have covered their need of good investments for a considerable time ahead. Bond issues have afterwards been on a rather small scale and the fluctuations in bond prices quite insignificant. Dealings in short-term bonds have at times been animated. The principal bond operations during the past quarter are shown below.

Issued by	Interest in %	Amount in mill. kr.	Issue price in %
The Swedish Cities' Mortgage Bank	3	150	[1]
Bergslagernas Järnvägs AB. (Railway)	3	7.692	100[2]
Rederiab. Ferlef (Shipping)	3	0.75	[3]
Forss AB	3	2.538	100[2]

[1] Being sold privately at market price. — [2] In connection with conversion. — [3] Not sold on the public market.

The following bond loans have been called in without offer of conversion: —

The Residential Mortgage Bank	$3^1/_4$ % 1936	15/10	1946
Västernorrlands Läns Landsting	$3^1/_2$ % 1936	1/8	1946
Gothenburg Mortgage Bank. Ser. XXV	3 % 1936	1/10	1946
Holmens Bruks och Fabriks AB.	4 % 1926	1/10	1946
Stockholm—Nynäs Jernvägs AB. (Railway)	4 % 1936	15/9	1946
Lilla Edets Pappersbruks AB.	$3^3/_4$ % 1936	15/10	1946

Some Statistical Data Concerning Sweden's Economic Position

Currency Reserve, Stock of Gold, Note Circulation.

	Net Claims of Banks on Foreign Countries million kronor (End of month)									The Riksbank's								
	Riksbank			Commercial banks			Total			Stock of Gold[1] (million kr.)			Stock of Gold and Net Claims on Foreign Countries[1] (million kr.)			Note Circulation (million kr.)		
	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946
Jan.	620	553	800	−146	−166	−266	474	387	534	1676	2006	2019	2296	2559	2819	2114	2333	2565
Feb.	626	585	771	−150	−178	−287	476	407	484	1686	1996	2019	2312	2581	2790	2061	2286	2441
March	566	575	805	−167	−167	−314	399	408	491	1770	1993	2009	2335	2568	2814	2057	2283	2396
I (Average)	**604**	**571**	**792**	**−154**	**−170**	**−289**	**450**	**401**	**503**	**1711**	**1998**	**2016**	**2314**	**2569**	**2808**	**2077**	**2301**	**2467**
April	559	604	897	−169	−159	−347	390	445	665	1791	1983	1998	2350	2587	2895	2087	2300	2404
May	564	601	916	−171	−163	−346	393	438	570	1808	1972	1988	2372	2573	2904	2069	2279	2337
June	570	580	988	−182	−153		388	427		1813	2009	1985	2383	2589	2973	2138	2345	2397
II (Average)	**564**	**595**	**934**	**−174**	**−158**		**390**	**437**		**1804**	**1988**	**1990**	**2368**	**2583**	**2924**	**2098**	**2306**	**2379**
July	600	690		−180	−157		420	533		1829	2010		2429	2700		2123	2342	
Aug.	569	774		−175	−195		394	579		1885	2013		2454	2787		2156	2382	
Sept.	562	814		−183	−183		379	631		1907	2013		2469	2827		2223	2450	
III (Average)	**577**	**759**		**−179**	**−178**		**398**	**581**		**1874**	**2012**		**2451**	**2771**		**2167**	**2391**	
Oct.	588	783		−179	−132		409	651		1917	1993		2505	2776		2248	2474	
Nov.	563	817		−163	−173		400	644		1939	1993		2502	2810		2226	2478	
Dec.	567	758		−162	−255		405	503		1943	2024		2510	2782		2375	2663	
IV (Average)	**573**	**786**		**−168**	**−187**		**405**	**599**		**1933**	**2003**		**2506**	**2789**		**2283**	**2538**	
Notes	The figures comprise balances with foreign customers and holdings of foreign bills and foreign bonds less amounts due to foreign customers									At end of month						Monthly averages		

[1] The Riksbank holding of gold is given at its market value, other items at their book values.

Commercial Banks, Stock Exchange.

	Commercial Banks									Share Index						Shares sold on the Stockholm Stock Exchange (1000 kr.)		
	Deposits (million kr.)			Advances incl. bills rediscounted (million kr.)			Surplus of Deposits (million kr.)			Home Industries			Other Industries					
	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946
Jan.	5686	6398	6814	4635	5141	5981	1051	1257	833	168	188	192	195	220	228	474	1049	952
Feb.	5643	6304	6714	4688	5193	6120	955	1111	594	164	191	193	190	226	233	396	944	595
March	5680	6368	6768	4814	5206	6260	866	1162	508	165	191	190	196	227	233	505	777	601
I (Average)	**5670**	**6357**	**6765**	**4712**	**5180**	**6120**	**957**	**1177**	**645**	**166**	**190**	**192**	**194**	**224**	**231**	**458**	**923**	**716**
April	5690	6437	6898	4842	5305	6381	848	1132	517	167	190	195	197	230	241	476	682	725
May	5726	6377	6867	4864	5342	6493	842	1035	374	168	191	194	192	231	238	296	887	610
June	5769	6454		4852	5362		917	1092		164	184	196	188	223	237	364	679	850
II (Average)	**5722**	**6423**		**4853**	**5336**		**869**	**1086**		**166**	**188**	**195**	**189**	**228**	**239**	**379**	**749**	**728**
July	5900	6601		4836	5346		1064	1255		166	192		192	228		273	442	
Aug.	6070	6704		4886	5442		1184	1262		169	193		204	228		551	544	
Sept.	6192	6828		4992	5458		1200	1370		171	198		206	228		442	450	
III (Average)	**6054**	**6711**		**4905**	**5415**		**1149**	**1296**		**169**	**194**		**201**	**228**		**422**	**479**	
Oct.	6275	6877		5042	5490		1233	1387		174	196		207	222		362	543	
Nov.	6112	6776		5058	5630		1054	1146		177	185		212	214		536	512	
Dec.	6212	6669		5121	5763		1091	906		179	183		213	214		557	479	
IV (Average)	**6200**	**6774**		**5074**	**5628**		**1126**	**1146**		**177**	**188**		**204**	**217**		**485**	**511**	
Notes	Deposits from and loans to the public within the country (at the end of the respective month)									The figures denote mid-monthly average prices						Averages per Stock Exchange business day		

Rates of Interest and Price Level.

	Yield on Bonds (%)						Wholesale Price Index (Board of Trade) (1935 = 100)									Cost of Living Index (July 1914 = 100)		
	Govt. Loans			Industrial Loans			Import Goods			Export Goods			All Goods					
	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946
Jan.	3.31	3.25	3.05	3.57	3.39	3.02	298	287	253	208	208	207	195	195	184	240	241	241
Feb.	3.29	3.07	3.04	3.57	3.14	2.98	298	288	254	208	208	208	195	195	185	·	·	·
March	3.30	3.04	3.03	3.62	3.02	2.98	301	289	252	208	208	209	195	196	184	·	·	·
I (Average)	**3.30**	**3.12**	**3.04**	**3.59**	**3.18**	**2.99**	**299**	**288**	**253**	**208**	**208**	**208**	**195**	**195**	**184**			
April	3.33	3.04	3.03	3.62	3.01	2.98	297	290	248	208	207	210	195	196	184	241	242	241
May	3.33	3.04	3.03	3.62	3.02	2.98	293	289	248	208	205	212	197	196	185	·	·	·
June	3.32	3.05	3.03	3.60	3.02	3.00	291	289		208	205		197	197		·	·	·
II (Average)	**3.33**	**3.04**	**3.03**	**3.61**	**3.02**	**2.99**	**294**	**289**		**208**	**206**		**196**	**196**				
July	3.32	3.05		3.60	3.02		291	288		208	205		198	196		240	241	
Aug.	3.31	3.05		3.57	3.01		291	262		208	205		197	194		·	·	
Sept.	3.30	3.05		3.55	3.00		288	263		209	205		196	191		·	·	
III (Average)	**3.31**	**3.05**		**3.57**	**3.01**		**290**	**271**		**208**	**205**		**197**	**194**				
Oct.	3.30	3.03		3.53	2.99		288	274		209	203		195	191		243	242	
Nov.	3.29	3.03		3.49	2.92		288	276		209	202		195	191		·	·	
Dec.	3.26	3.04		3.40	3.02		288	274		208	201		195	190		·	·	
IV (Average)	**3.28**	**3.03**		**3.47**	**2.98**		**288**	**275**		**209**	**202**		**195**	**191**				
Notes	Calculated on market prices at middle of months															Refers to end of quarters		

Trade and Industry.

	Total Imports (million kr.)			Total Exports (million kr.)			Index of Production according to Feder. of Swed. Industries (1935 = 100)			Number of Unemployed Registered by Labour Commission			Waggon-axle Kilometres of loaded Trucks on State Railways			Unemployment in Trade Unions (%)		
	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946
Jan.	122	106	219	47	26	199	108	114	125	15845	12088	8829	89.8	94.0	114.6	8.5	6.5	5.5
Feb.	156	52	189	62	31	165	109	88	127	17584	12862	8564	103.0	96.2	107.6	8.0	6.2	5.4
March	169	67	226	69	35	167	109	84	128	17272	13521	8118	114.0	100.3	110.2	7.2	5.9	4.8
I (Average)	**149**	**75**	**211**	**59**	**31**	**177**	**109**	**95**	**127**	**16888**	**12824**	**8504**	**102.3**	**98.8**	**113.8**	**7.9**	**6.2**	**5.1**
April	158	41	267	63	31	180	109	84	128	15660	12044	6534	102.9	95.5		5.5	4.5	
May	164	48	299	73	44	237	108	84	128	11797	10021		101.2	94.5		3.7	3.8	
June	162	50		84	125		109	85		8790	7924		100.7	97.2		3.2	3.5	
II (Average)	**161**	**46**		**73**	**67**		**109**	**84**		**12082**	**9990**		**101.6**	**95.7**		**4.1**	**3.9**	
July	144	40		79	209		107	115		7313	5966		101.6	100.6		2.9	3.2	
Aug.	140	69		68	268		106	120		6790	5406		108.4	108.6		2.8	3.1	
Sept.	137	135		54	245		107	122		6828	5409		108.4	112.8		2.9	3.0	
III (Average)	**140**	**81**		**67**	**241**		**107**	**119**		**6977**	**5594**		**106.1**	**107.3**		**2.9**	**3.1**	
Oct.	102	162		56	267		110	124		7494	5842		104.4	115.5		3.3	3.2	
Nov.	109	160		98	240		112	125		8674	6757		104.0	113.4		4.2	3.9	
Dec.	101	157		77	234		113	125		11044	7206		96.4	103.5		7.2	6.7	
IV (Average)	**104**	**160**		**77**	**247**		**112**	**125**		**9071**	**6632**		**101.6**	**110.8**		**4.9**	**4.6**	
Notes							Seasonal change removed						Million kilom. per month			% of total members at end of month		

Stockholm 1946. Kungl. Boktr. P. A. Norstedt & Söner 462104

SKANDINAVISKA BANKEN

STOCKHOLM 16.

TELEPHONE: STOCKHOLM 0101 — TELEGRAPHIC ADDRESS: SKANDINAVBANK

Member of the Stockholm Stock Exchange

July 1946

Quotations of Swedish Shares.

Industrial and Miscellaneous Shares.	Share Capital	Nom. Value	Dividends[1] 1940	1941	1942	1943	1944	1945	1946	Prices (bid) 1945 29/12	1946 31/1	28/2	30/3	30/4	31/5	28/6	2/7
	Mill. Kr.	Kr.	Kronor							Kronor							
A.-B. ATLAS DIESEL (Diesel Engines)[5]	10.16	25	2	2	2.25	[8]2.25	1.75	1.75	1.25	40.50	44.50	41	41	41	[4]42.50	39	39.50
» BOFORS (War Material)[6]	24.75	100	12	12	12	12	12	12	12	249	274	280	284	285	[2]264	268	269
» CUSTOS (Holding Company),[5]	27.9	100	5	5	5	5	5	6	6	150	[2]173	158	163	172	[4]175	171	168
» DE LAVALS ÅNGTURBIN (Steam Turbines) Pref. shares[5]	4.80	100	5	6	7	7	7	7	7	142	162	160	164	[2]153	152	154	154
» ELEKTROLUX (Vacuum Cleaners, Refrigerators) Series A[6]	4.50	75	5	5	5	5	7.50	7.50	7.50	157	—	163	165	163	[2]156	156	156
» ELEKTROLUX (Vacuum Cleaners, Refrigerators) » B[5]	40.5	75	5	5	5	5	7.50	7.50	7.50	157	162	163	163	165	[2]156	157	156
» EMISSIONSINSTITUTET (Holding Company)[5]	4	100	10	10	10	10	10	10	10	240	260	[2]260	265	265	[4]290	[4]280	245
» FÖRENADE SUPERFOSFATFABRIKER (Superphosphates)[5]	18.34	500	30	30	30	30	30	30	30	625	610	630	[2]650	—	—	620	620
» IFÖVERKEN (Insulating materials etc.)[5]	20.25	100	8	8	8	8	8	8	8	201	225	217	226	225	[2]212	215	220
» INDUSTRIVÄRDEN (Holding Company)[6]	17	100					5	5		140	153	156	154	153	153	150	158
» » » » free[5]	8	100					5	5		140	154	156	154	153	154	150	158
» INVESTOR (Holding Company)[6]	28.80	500	35	35	35	35	35	40	40	1075	1170	[4]1200	1130	[2]1110	1100	[4]1190	[4]1190
» » » » , free[5]	7.20	500	35	35	35	35	35	40	40	1075	1160	1100	1140	[2]1120	1100	1130	—
» KLIPPANS FINPAPPERSBRUK (Paper and Board)[5]	7	100	9	9	9	9	9	9	9	255	260	255	276	280	[2]285	275	275
» NORDISKA ARMATURFABRIKERNA (Fittings, Heating Plants, Instruments)[5]	8.85	50	2.50	2.50	2.50	2.50	2.50	2.50	2	55.50	58	56.50	56.50	[2] 53	54	55	54.50
» NORDISKA KOMPANIET (Department Store) Ord.[5]	26	50	2.50	3	3	3	3	3	3	65	67.50	66	67	[2] 63	62.50	62.50	63.50
» PLÅTMANUFAKTUR (Tin Plate Goods etc.)[5]	6.6	100	7	7	7	7	7	7	7	145	153	165	[2]151	150	142	145	147
» PRIPP & LYCKHOLM (Brewery)[5]	18	75	12	10	7	7	7.50	7.50	7.50	202	[2]207	200	201	205	208	212	210
» SEPARATOR (Milk Separators) Ord. A[5]	42	100	6	4	4	4	4	4	6	119	126	127	145	147	[2]139	142	144
» SEPARATOR (Milk Separators) » B[5]	39.7	100	6	4	4	4	4	4	6	119	126	127	145	147	[2]139	142	144
» STOCKHOLMS BRYGGERIER (Brewery)[5]	39.4	100	15	15	15	11.25	12	12	12	330	353	[2]331	323	328	345	344	343
» SVENSKA JÄRNVÄGSVERKSTÄDERNA (Railway Materials)[6]	12.25	50	[3]2+ 4.50	[3]2+ 4.50	6.50	6.50	6.50	6.50	4.50	124	[4]134	126	123	[2]117	121	117	117
» SVENSKA KULLAGERFABRIKEN (SKF) (Ball Bearings) Series A[5]	37.99	50	12	12	12	12	12	12	12	265	290	282	283	292	[2]293	293	292
» SVENSKA KULLAGERFABRIKEN (SKF) (Ball Bearings) » B[5]	25.92	50	12	12	12	12	12	12	12	265	290	283	282	292	[2]292	294	292
» SVENSKA KULLAGERFABRIKEN (SKF) (Ball Bearings) » B, stamped[6]	1.09	50	12	12	12	12	12	12	12	245	—	—	—	—	[6] —	—	—
» SVENSKA METALLVERKEN (Metal Products)[5]	24.52	60	4.80	4.80	4.80	4.80	4.80	4.80	4.80	105	114	115	119	[2]106	102	105	106
» SVENSK FILMINDUSTRI (Film and Cinema Business) Series A[5]	8	30	1.50	2.10	2.10	2.70	2.70	2.70		60	60	59	60.50	61.50	63	62	62
» SVERIGES FÖRENADE TRIKÅFABRIKER (Textiles) Pref.[5]	3.50	100	12	12	10	10	10	10	10	235	245	256	255	[2]247	256	260	260
» SVERIGES FÖRENADE TRIKÅFABRIKER (Textiles) Ord.[5]	6.60	100	12	12	10	10	10	10	10	240	255	256	255	[2]247	256	260	260
» SVERIGES LITOGRAFISKA TRYCKERIER (Lithographical Printers) Pref.[5]	12	100	7	7	7	7	7	7		160	171	171	—	170	170	167	167
» SVERIGES LITOGRAFISKA TRYCKERIER (Lithographical Printers) Ord. A[5]	16	100	6	6	6	6	6	6		146	150	—	145	148	160	169	168
» SVERIGES LITOGRAFISKA TRYCKERIER (Lithographical Printers) » A 1930[6]	11	100	6	6	6	6	6	6		146	148	146	145	146	160	169	168
» SVERIGES LITOGRAFISKA TRYCKERIER (Lithographical Printers) » B[5]	4.4	100	6	6	6	6	6	6		137	140	140	142	142	155	155	156
» TURITZ & CO. (Department and Chain Stores)[5]	9	100	15	15	15	15	15	15	15	403	425	400	415	[2]410	415	412	415
» VOLVO (Motorcars)[5]	37.5	50	3	3	3	3	3	3	3	75	[7]77.50	74	74	75.50	[2]71.50	72	72
» ÅTVIDABERGS INDUSTRIER (Office Utensils) Series II[5]	5.6	100	14	14	[8]14	12	12	12	12	315	330	330	345	[2]350	360	380	380
ALLMÄNNA SVENSKA ELEKTRISKA A.-B. (ASEA) (Electrical Machinery)[5]	90	100	10	10	10	9	9	9	9	219	238	231	[2]224	222	224	229	229
BERGVIK & ALA NYA A.-B. (Pulp and Timber)[5]	28.12	180	13	10	10	12	12	12	14	340	365	382	388	392	[2]365	368	368
BILLERUDS A.-B. (Paper, Pulp and Timber)[5]	31.02	100	8	8	8	8	8	8	8	201	215	212	215	219	[2]219	230	230
BOLIDENS GRUV A.-B. (Gold, Copper, etc.)[5]	42.7	50	7.50	7.50	7.50	6	6	6	6	105	110	112	116	118	[2]110	112	112
BOXHOLMS A.-B. (Iron- and Woodgoods)[6]	6	600	36	36	42	36	36	36	36	975	975	1100	1025	1050	[2] —	1000	1000
FAGERSTA BRUKS A.-B. (Iron and Steel) A[6]	18.5	100	6	6	6	6	6	6	7	145	158	170	178	180	[2]163	161	163
» » » » » » B, free[5]	11.5	100	6	6	6	6	6	6	7	145	158	171	178	180	[2]163	163	163
FASTIGHETS A.-B. DROTT (Real Estate Holdings)[6]	6	1 000	55	50	50	50	50	50	50	1400	1410	1415	[2]—	[4]1375	1300	1325	1325
FASTIGHETS A.-B. HUFVUDSTADEN (Real Estate Holdings) Series A[6]	16	100	4.50	4.50	4.50	5	6	6	6	[4]174	165	165	172	[2]175	175	180	—
FASTIGHETS A.-B. HUFVUDSTADEN (Real Estate Holdings) » B, free[6]		100	4.50	4.50	4.50	5	6	6	6	155	165	165	172	[2]175	175	180	—
FORD MOTOR COMPANY A.-B[5]	5	100	10	8	5	—	—	—	—	[4]195	215	[4]215	200	190	[4]200	[4]190	[4]190
GUNNEBO BRUKS A.-B. (Iron- and Steelproducts)[6]	4	100	6	6	7	7	7	8	8	200	225	230	225	[2]212	215	220	220
HOLMENS BRUKS- & FABRIKS A.-B. (Pulp, Paper, Woollen and Cotton Goods) Series A[6]	21	100	6	6	6	6	7	7	7	165	184	181	184	[2]176	181	180	181
HOLMENS BRUKS- & FABRIKS A.-B. (Pulp, Paper, Woollen and Cotton Goods) » B[5]	13.56	100	6	6	6	6	7	7	7	165	184	181	184	[2]177	181	180	181
HÖGANÄS-BILLESHOLMS A.-B. (Coal, Firebrick and Clay Goods)[5]	30	100	7	8	9	9	9	9	9	216	234	225	232	230	[2]230	233	233
KOPPARFORS A.-B. (Pulp and Timber)[5]	20	100	5	5	5	6	6	6	6	175	190	185	186	[2]179	183	184	184
KORSNÄS' SÅGVERKS A.-B. (Paper, Pulp and Timber)[5]	21	100	7	5	5	6	6	6	7	200	214	[4]218	217	222	230	[2]235	236
LINOLEUM A.-B. FORSHAGA (Linoleum)[5]	4	50	6.60	4.76	4.10	4.10	4.10	4.10	4.10	117	122	128	[4]135	120	[4]134	122	122
MEXIKANSKA TELEFON A.-B. ERICSSON (Telephone Service) Series A[5]	5.4	180	—	—	—	—	—	9	10.80	188	210	—	222	222	230	225	[2]210
MEXIKANSKA TELEFON A.-B. ERICSSON (Telephone Service) » B[5]	16.2	180	—	—	—	—	—	9	10.80	194	215	207	227	228	235	230	[2]216

[1] Refer to dividends paid for the preceding financial year. — [2] Ex dividend. — [3] Interim dividend paid in the preceding year. — [4] Selling price. — [5] Some shares (in certain companies all shares) acquirable by aliens. — [6] Not acquirable by aliens. — [7] Not quoted on the Stock Exchange. — [8] Plus bonus shares.

Quotations of Swedish Shares (Contd.).

	Share Capital	Nom. Value	Dividends[1]							Prices (bid) 1945	Prices (bid) 1946						
			1940	1941	1942	1943	1944	1945	1946	29/12	31/1	28/2	30/3	30/4	31/5	28/6	2/7
Industrial and Miscellaneous Shares (Contd.).	Mill.Kr.	Kr.	Kronor							Kronor							
Mo och Domsjö A.-B. (Pulp and Timber) . Series A[6]	32	100	8	8	8	10	8	8	8	216	230	220	225	[2]225	230	231	231
» B[5]		100	8	8	8	10	8	8	8	215	232	—	225	[2]225	230	231	231
Munksjö A.-B. (Paper, Pulp and Timber) . Series A[5]	10	100	4	—	5	5	6	6	6	145	153	152	154	160	[2]—	149	150
» B[5]	3.99	100	4	—	5	5	6	6	6	145	153	152	155	158	[2]—	149	[2]152
» B, free[5]	1	100	4	—	5	5	6	6	6	145	153	153	154	158	[2]—	150	[2]155
Nitroglycerin A.-B. (Explosives)[5]	5	100	10	10	10	10	10	10	10	270	—	—	—	[2]250	270	250	260
Oxelösunds Järnverks A.-B.[6]	6.17	100	10	10	10	10	10	10	8	240	260	255	250	[2]235	235	[4]260	—
(Iron, Coke, Window-Glass etc.), free[5]		100	10	10	10	10	10	10	8	240	265	255	250	[2]236	235	[4]260	235
Reymersholms Gamla Industri A.-B. (Chemical Products)[5]	12	10	0.70	0.70	0.70	0.70	0.70	0.70	[7]0.70	21	25	[2]25.50	24.50	25.50	21	21.50	21
Råsunda Förstads A.-B. (Real Estate Holdings)[5]	7.5	50	3.50	3.50	2.50	2.50	—	—		62	63	64.50	70.50	68.50	70.50	71	71
Sandvikens Jernverks A. B. (Iron)[5]	25	100	[3]3+5	[3]3+5	[3]3+5	[3]3+5	[3]3+5	[3]3+5	[3]3+5	202	220	214	225	—	[2]228	227	230
Skånska Cement A.-B. (Cement)[5]	28	1 000	70	70	70	70	70	70	70	1775	1960	1875	1855	1950	[2]1900	1905	1905
Stockholms Superfosfat Fabriks A.-B. (Chemical Products)[5]	15	150	12	12	12	12	12	12	12	308	335	318	316	[2]305	306	304	307
Stora Kopparbergs Bergslags A.-B. (Paper, Pulp, Timber and Iron)[5]	90	100	10	10	10	12	12	12	[7]12	425	460	452	476	[2]458	340	347	345
Ströms Bruks A.-B. (Pulp and Timber)[5]	12	100	10	10	10	9	9	9		238	262	262	270	275	270	266	267
Svenska Ackumulator A.-B. Ord. A[5]	2.16	100	8	8	8	8	8	8	8	190	215	210	210	[2]205	—	216	216
Jungner (Accumulators) . » B, free[5]	3.78	100	8	8	8	8	8	8	8	190	212	210	210	[2]205	[4]218	216	216
Svenska Aeroplan A.-B. (Aeroplanes) Pref.[6]	6	100	—	2.50+ 2.50	2.50+ 2.50	2.50+ 2.50	2.50+ 2.50	2.50+ 2.50		119	121	120	122	121	116	119	115
Ord.[6]	15	100	—	5	5	5	6	6		119	123	127	128	126	123	125	125
Svenska A.-B. Gasaccumulator (AGA) (Beacon Lighting etc.) Pref. shares[5]	28.6	100	5	5	5	5	5	5	5	119	127	124	127	[2]122	123	125	125
Svenska Diamantbergborrnings A.-B. (Ore Prospecting etc.)[5]	2.27	150	25	25	25	22.50	22.50	22.50	[7]22.50	500	525	570	570	[4]625	[2,4]610	[4]650	[4]650
Svenska Oljeslageri A.-B. (Vegetable Oils etc.)[5]	3.6	100	10	10	6	—	4	5	6	170	170	162	160	158	[2]158	160	160
Svenska Sockerfabriks A.-B. (Sugar)[5]	81	60	3.50	3.50	3.50	3.50	3.50	3.50		92	94	93.50	92.50	92	92	94	94
Svenska Tändsticks A.-B. (Matches) . Series A[5]	22.50	25	—	—	—	—	—	—	—	32	33.50	33	33	33.50	32	31	31
» B[5]	95	25	—	—	—	—	—	—	—	32.50	33.50	32.50	32.50	33.50	32	31	31
Telefon A.-B. L. M. Ericsson (Telephones) Series A[5]	28.23	35	—	—	1.50	1.50	1.50	1.75	1.75	54	60	57	57	57	[2]59	54.50	56
» B[5]	42.35	35	—	—	1.50	1.50	1.50	1.75	1.75	55.50	59.50	56	57.50	57.50	[2]58.50	55	55.50
Trafik A.-B. Grängesberg—Oxelösund (Iron Ore)[5]	119	100	12	12	12	12	12	10	10	195	206	206	209	224	[2]222	227	227
Uddeholms A.-B. (Pulp, Timber and Iron)[5]	77.5	100	6	7	7	8	8	8	8	234	254	242	253	256	252	[2]232	234
Wifstavarfs A.-B. (Pulp and Timber)[5]	14.5	100	10	10	10	10	10	10	10	247	275	266	274	[2]265	280	282	282
Railway and Shipping Shares.																	
A.-B. Svenska Amerika Linien (Shipping)[6]	24	100	—	—	5	5	5	5	5	133	143	138	140	147	[2]136	135	137
A.-B. Svenska Amerika-Mexikolinjen (Shipping)[5]	8.4	1 000	80	80	80	80	80	80	100	1750	1925	1850	1900	[2]2450	[4]2400	2150	2150
Bergslagernas Järnvägs A.-B. (Railway)[5]	25.15	200	10	10	10	10	12	12	14	455	530	558	550	545	[2]530	520	515
Gäfle-Dala Järnvägs A.-B. (Railway)[5]	12.96	100	7	7	7	7	7	7	8	285	315	310	320	320	[2]315	[4]330	[4]330
Göta Kanalbolag. Series i (Canal Co.)[6]	5.15	150	4	3	3	3	3	3	3	88	87	88	89	88	[4] 92	[4]90	87
Rederi A.-B. Svenska Lloyd (Shipping)[5]	11.83	50	4.50	5	5	4.50	5	4.50	5	104	118	116	121	118	[2]111	111	111
Rederi A.-B. Transatlantic (Shipping) Pref.[6]	3	100	5.50	5.50	5.50	5.50	5.50	5.50	5.50	125	—	—	135	[2]138	—	—	—
Ord.[6]	15	100	10	10	10	10	10	10	10	268	290	286	335	[2]345	325	268	260
Stockholms Rederi A.-B. Svea (Shipping)[5]	17.64	30	2	2	2.50	2.50	2.50	2.50	2.50	54	61	58.50	[2]56.50	56.50	56	57	57
Insurance Shares.																	
Brandförsäkrings A.-B. Fenix[5]	2.4	500	30	[3]20+ 30	50	50	50	50	50	1275	1275	1275	1275	—	[4]1350	[2]1175	[4]1175
Brand- och Lifförsäkrings-A.-B. Svea[5]	12	100	[3]4+8	—	5	—	—	5	5	173	177	170	168	162	[2]149	145	146
Försäkrings-A.-B. Skandia[5]	20	500	[3]20+ 40	[3]20+ 40	[3]15+ 25	[3]15+ 25	[3]15+ 25	[3]15+ 25	[3]15+ 25	1075	1130	1070	1065	1050	1050	[2]1015	1012
Försäkrings A.-B. Atlantica[5]	1.5	100	13	10	10	10	10	10	10	215	210	210	220	235	[2]230	225	225
Försäkrings A.-B. Hansa[6]	5	500	45	45	45	45	45	45	45	1050	1050	1055	1060	1060	1060	[2]1050	1050
Försäkrings A.-B. Ocean[5]	4	125	20	20	20	20	20	20	20	415	415	420	450	440	450	[2]450	[4]450
Bank Shares.																	
A.-B. Göteborgs Bank Pref.[6]	*82.2	125	6.25	6.25	6.25	6.25	6.25	6.25	6.25	161	161	[8]—	[4]155	150	150	151	151
Ord.[6]		125	6.25	6.25	6.25	6.25	6.25	7.50	7.50	205	215	[2]217	194	195	192	194	192
» Skånska Banken[6]	*30.6	50	3	3	3	3	3	3	3	84	93	95	[2]92	93	84.50	85	85
» Svenska Handelsbanken Pref.[6]	*246	100					4.50	4.50	4.50	120	125	[2]128	124	123	123	124	124
Ord.[6]		100	9	9	9	9	9	9	11	227	246	[2]245	224	225	227	229	231
Inteckningsbanken A.-B.[6]	* 35	300	35	30	30	30	30	30	30	710	760	730	[2]720	710	710	705	710
Skandinaviska Banken A.-B.[6]	*183	142	10	10	10	10	12	12	12	314	325	321	[2]312	318	323	328	330
Skaraborgs Enskilda Bank A.-B.[9]	* 16.1	100	8	8	6	6	6	6	6	160	160	161	[2]155	154	155	155	155
Smålands Enskilda Bank A.-B.[9]	* 14.6	100	—	—	—	—	—	—	—	108	116	117	113	111	112	[4]116	112
Stockholms Enskilda Bank A.-B.[6]	*110	1 000	[3]50+ 100	[3]50+ 100	[3]50+ 100	[3]50+ 100	[3]50+ 100	[3]50+ 100	[3]50+ [7]100	4130	4575	4655	[2]4655	4350	[4]4425	4390	4400
Sundsvalls Enskilda Bank A.-B.[9]	* 32.5	100	[3]6+9	[3]6+9	[3]6+9	[3]6+9	[3]6+9	[3]6+9	[3]6+9	370	390	385	[2]380	370	365	370	380
Upland Enskilda Bank A.-B.[9]	* 19.2	100	6	6	6	6	6	6	6	[4]148	147	150	[2]146	146	147	147	148
Wermlands Enskilda Bank A.-B. Pref.[6]	* 22	100	5	5	5	5	5	5	5	125	125	125	[2]120	120	—	—	122
Ord.[6]		100	6	6	6	6	6	6	6	152	160	160	[8]155	155	[4]155	150	150
Östergötlands Enskilda Bank A.-B.[6]	* 19.6	100	4	4	4	4	4	4	4	114	116	115	[8]111	111	111	111	111

[1] Refer to dividends paid for the preceding financial year. — [2] Ex dividend. — [3] Interim dividend paid in the preceding year. — [4] Selling price. — [5] Some shares (in certain companies all shares) acquirable by aliens. — [6] Not acquirable by aliens. — [7] Plus bonus shares.

*** Paid-up capital and reserves.**

Quotations of Swedish Bonds.

Quoted on the Stock Exchange.

In percentage; ex interest.

		Terms of Redemption D = Drawings P = Purchase	Redeemable in Whole	Interest Dates *	Prices (bid) 1946 29/1	26/2	29/3	30/4	31/5	28/6	2/7
Swedish Government	2 1/2 % 1935	Maturity 1947		15/4—15/10	101 3/4	101 5/8	101 5/8	101 1/2	101 3/8	101 3/8	101 3/8
» »	2 3/4 » 1939	» 1969	15/12 1949	15/6—15/12	98 1/2	98 1/2	98 1/2	98 1/2	98 1/2	98 1/2	98 1/2
» »	3 » 1934	Perpetual Loan	30/12 1944	30/6—30/12	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1937 1/2	1938—1997 D P	1/2 1947	1/2— 1/8	99 3/4	99 3/4	100	100	100	100	100
» »	3 » 1937 1/3	1938—1997 D P	1/3 1947	1/3— 1/9	99 3/4	99 3/4	100	100	100	100	100
» »	3 » 1941 [1] 2nd Defence Loan	Maturity 1951		15/1—15/7	105 1/2	105 1/2	105 3/4	106	106	105 3/4	105 3/4
» »	3 » 1941 15/12	Maturity 1946		15/6—15/12	101 3/4	101 3/4	101 5/8	101 1/2	101 1/4	101	101
» »	3 » 1942 3rd Defence Loan	Maturity 1947		15/2—15/8	102 5/8	102 5/8	102 5/8	102 1/2	102 3/8	102 1/8	102 1/8
» »	3 » 1943 15/4	Maturity 1949		15/4—15/10	103 1/2	103 1/2	103 1/2	103 3/4	103 1/2	103 1/2	103 1/2
» »	3 » 1944	Maturity 1950		15/9	103 1/2	103 1/2	103 1/2	103 3/4	103 1/2	103 1/4	103 1/4
» »	3 » 1945 1/7	Maturity 1985	1/7 1955	1/7	99 3/4	100	100	100	100	100	100
» »	3 » 1945 1/11	Maturity 1986	1/11 1955	1/11	—	—	100	100	100	100	100
» »	3 1/2 » 1941	Maturity 1981	15/12 1951	15/6—15/12	106	106	106	106	105 3/4	105 1/2	105 1/2
» »	3 1/2 » 1942 3rd Defence Loan	Maturity 1982	15/8 1952	15/2—15/8	106	106	106	106	105 3/4	105 3/4	105 3/4
» »	3 1/2 » 1943 15/3	Maturity 1988	15/3 1953	15/3—15/9	106 1/4	106 1/4	106 1/4	106 1/4	106	106	106
» »	3 1/2 » 1943 15/4	Maturity 1988	15/4 1953	15/4—15/10	106 1/4	106 1/2	106 1/4	106 1/4	106	106	106
» »	3 1/2 » 1943 1/11	Maturity 1990	1/11 1953	1/5—1/11	106 1/4	106 1/2	106 1/4	106 1/2	106 1/4	106	106
» »	3 1/2 » 1944 15/3	Maturity 1992	15/3 1954	15/3—15/9	106 1/2	106 1/2	106 1/2	106 1/2	106 1/4	106 1/4	106 1/4
» »	3 1/2 » 1944 15/12	Maturity 1994	15/12 1954	15/12	106 3/4	106 3/4	106 1/2	106 3/4	106 1/2	106 1/2	106 1/2
» »	4 » 1941 2nd Defence Loan	Maturity 1951		15/1—15/7	108 1/4	108	108	108 1/4	108	108	108
» »	4 1/2 » 1940	1946—1975 D P	1/4 1950	1/4— 1/10	108 1/4	108 1/4	108 1/4	108	108	107 3/4	107 3/4
Sveriges Allm. Hypoteksbank	2 3/4 % 1939	1940—1999 D P	15/4 1949	15/4—15/10	96	96 1/4	96 1/2	96 1/2	96 1/2	95	95
(Royal Swedish Mortgage Bank)	3 » 1935 I	1945—2005 D P	30/3 1945	30/3—30/9	99 1/2	99 3/4	100	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1935 II	1945—1964 D / 1965—2005 D P	30/9 1945	30/3—30/9	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1937	1947—1999 D P	1/6 1947	1/6— 1/12	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1939	1940—1999 D P	1/11 1949	1/5— 1/11	99 3/4	—	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1945	Maturity 1990	[11]	1/8	—	—	100	100	100	100	100
» »	3 1/2 » 1942	Maturity 1974	[7]	15/6—15/12	—	—	106	—	—	105 3/4	—
» »	4 » 1878	1884—1959 D P		30/6—31/12	107	107	107	107	107 1/4	107	107
Kon. Sveriges Stadshypotekskassa	2 1/2 » 1938	1939—2008 D P	15/2 1948	15/2—15/8	90 3/4	91	91	91	91	90	90
(Swedish Cities' Mortgage Bank)	3 » 1934	1944—2008 D P	1/5 1944	1/5— 1/11	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1935	1945—2009 D P	15/3 1945	15/3—15/9	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1937	1947—2002 D P	15/5 1947	15/5—15/11	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1939	1946—2006 D P	1/2 1946	1/2— 1/8	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 » 1945	Maturity 1987	[9]	15/4—15/10	99 8/4	100	100	100	100	100	100
» »	3 1/4 » 1937	1947—2006 D P	1/3 1947	1/3— 1/9	102	102	102	101 3/4	101 1/4	101 1/4	101 1/4
» »	3 1/2 » 1941	1951—1999 D P	1/6 1951	1/6— 1/12	105 1/4	105 1/4	105 1/4	105 1/4	105	104 3/4	105
» »	3 1/2 » 1942	Maturity 1974 [8]	[8]	15/4—15/10	106	106	106	106	105 3/4	105 1/2	105 1/2
» »	3 1/2 » 1944	Maturity 1986	[10]	15/1—15/7	106 1/2	106 1/2	106 1/2	106 1/4	106 1/4	106 1/4	106 1/4
» »	4 » 1941	1951—1999 D P	15/2 1951	15/2—15/8	107 3/4	107 3/4	107 3/4	107 1/2	107 1/4	107	107
» »	4 1/2 » 1940	1950—1999 D P	15/4 1950	15/4—15/10	108 3/4	108 3/4	108 1/2	108 1/2	108 1/2	108 1/2	108 1/2
Svenska Bostadskreditkassan [2]	3 » 1939	1949—1979 D P	15/1 1949	15/1—15/7	99 1/2	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4	99 3/4
» »	3 1/2 » 1944 I	1945—1974 D P	15/1 1954	15/1—15/7	106	106 1/2	106 1/4	106 1/2	106 1/2	106 1/4	106
Svenska Skeppshypotekskassan [3]	2 3/4 » 1940	1941—1950 D P		1/3— 1/9	101 1/2	101 1/2	101 1/2	101 1/2	101	100 3/4	100 3/4
Inteckningsbanken A.-B.[5] (The Mortgage Bank Ltd)	3 » 1934	1944—1993 D P	1/12 1944	1/6— 1/12	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
	3 1/2 » 1942	1953—1982 D P	15/1 1952	15/1—15/7	104	104	104 1/4	104	104	103 3/4	104
City of Stockholm	3 » 1925	1926—1965 D P	15/3 1945	15/3—15/9	100	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4
» »	3 » 1945	1946—1975 D P	15/3 1955	15/3—15/9	100	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4
» »	3 1/2 » 1941	1942—1971 D P	15/12 1951	15/6—15/12	103 3/4	104	104	103 3/4	103 1/2	103 3/4	103 3/4
» »	3 1/2 » 1943	1944—1973 D P	15/10 1953	15/4—15/10	103 3/4	104	104 1/4	104	103 3/4	104	103 3/4
» »	4 » 1939	1940—1969 D P	15/12 1949	15/6—15/12	104	104	104	104	104	103 3/4	103 3/4
» »	4 3/4 » 1940	1941—1970 D P	15/3 1950	15/3—15/9	107	107	107 1/2	107 1/2	107	107	107
Allmänna Svenska Elektriska A.-B. (ASEA) (Electrical Machinery)	3 » 1939	1940—1964 D P	1/3 1944	1/3— 1/9	100	100 1/4	100 1/4	100 1/4	100 1/4	100	100 1/4
Krångede A.-B. (Power Co.)	3 1/2 » 1943	1946—1966 D	15/5 1952	15/5—15/11	103 3/4	103 3/4	103 1/2	103 1/2	103 1/2	103 1/2	103 1/2
Marma-Långrörs A.-B. (Wood and Pulp)	3 » 1945	1951—1970 D	1/4 1955	1/4— 1/10	100	100	100	100	100	100	100
Telefon A.-B. L. M. Ericsson (Telephones)	3 1/2 » 1937	1938—1957 D P	31/7 1942 [4]	31/1—31/7	101 1/2	101 1/2	101 1/4	101 1/4	101	101	101
Uddeholms A.-B. (Wood and Iron products)	3 » 1939	1943—1959 D P	15/10 1949	15/4—15/10	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4

[1] With annual prize drawings.

[2] The Residential Mortgage Bank of Sweden, founded in 1929, is the central organization of a number of local credit associations having for their object to grant loans to their members against mortgages on houses. It has a guarantee fund of 30 mill. Kr. in Swedish Government bonds placed at its disposal by the Government.

[3] The Swedish Ship Mortgage Bank, founded in 1929, has for its object to grant loans against mortgages on Swedish ships. As a guarantee fund for the Bank the Government has placed at its disposal Swedish Government bonds for 10 mill. Kr.

[4] The company has the right to redeem the loan in 1946 at 100 1/2 %, in 1947 and thereafter at 100 %.

[5] Previously Stockholms Inteckning Garanti A.-B. (The Mortgage Bank of Stockholm Ltd.)

[6] The coupon per the 1.11.1945 paid on the 1.5.1945.

[7] The Bank has the right to redeem the loan by annual drawings of non-fixed amounts as from 15/6 1952.

[8] The Bank has the right to redeem the loan by annual drawings or/and purchases of non-fixed amounts in the market as from 15/4 1952.

[9] The Bank has the right to redeem the loan by annual drawings or/and purchases of non-fixed amounts in the market as from 15/4 1955.

[10] The Bank has the right to redeem the loan by annual drawings or/and purchases of non-fixed amounts in the market as from 15/1 1954.

[11] The Bank has the right to redeem the loan by annual drawings or/and purchases of non-fixed amounts in the market as from 1/8 1955.

*** Amortization-dates underlined.**

Quotations of Swedish Bonds (Contd.)

Not quoted on the Stock Exchange.

In percentage; ex interest.

	Terms of Redemption D = Drawings P = Purchase	Redeemable in Whole	Interest Dates *	Approximate Prices (bid) 1946 29/1	26/2	29/3	30/4	31/5	28/6	2/7
A. B. Bofors (War Material) . . . . . 3¼ % 1937	1941—1957 D	15/5 1947	15/5—15/11	101¼	101¼	101¼	101	101	101	101
International Match Realization Company, Voting Trust Certificates				$31½	$28¹	$25¹	—	—	—	—
A.-B. Kreuger & Toll, Bearer Certificates of Deposit 5 » 1929				4½	4¾	4¾	—	3½	3	3½

¹ Ex dividend.

* **Amortization-dates underlined.**

Quotations of Foreign Bonds.

In percentage; ex interest.

	Terms of Redemption D = Drawings P = Purchase	Redeemable in Whole	Interest Dates *	Prices (bid) 1946 29/1	26/2	29/3	30/4	31/5	28/6	2/7
Quoted on the Stock Exchange.										
Danish Government . . . . . 4 % 1936 [4]	1937—1956 D [7]	15/5 1946	15/5—15/11	96	96¼	96½	95¾	95½	95	95
» » . . . . . 3½ » 1938 [4]	1944—1958 D P [7]	1/11 1948	1/5— 1/11	92¾	92¾	92¾	92	91¼	90	90
Danish Mortgage Bank . . . . . 4½ » 1931 [2] [4]	1936—1971 D P [7]	15/3 1941	15/3—15/9	99	99¼	99¾	100	100¼	100¼	100¼
Copenhagen, City of . . . . . 4½ » 1930 [3] [4]	1931—1970 D P [7]	1/12 1941	1/6— 1/12	99	99¼	99¾	99¾	99½	99½	99¼
Norwegian Government . . . . . 3½ » 1936 [4]	1937—1951 D	15/1 1941	15/1—15/7	98¾	99	99¼	99¼	99¼	99	99
Not quoted on the Stock Exchange.										
Finnish Government . . . . . 4½ » 1934 [4]	1935—1944 D P [7]	—	1/4—1/10	38	38	37	39	39	37	37
Helsingfors, City of . . . . . 3½ » 1938 [4]	1943—1953 D P [7]	1/3 1943	1/3— 1/9	34	32	32	31	34	35	35
Municipal Mortgage Bank of Finland . . . . . 5 » 1927 [8]	1928—1957 D P	1/1 1944	1/1— 1/7	54	53	50	58	70	60	53
Åbo, City of . . . . . 3½ » 1939 [4]	1940—1959 D P [7]	2/1 1944	2/1— 1/7	33	33	31	30	33½	33	33
German Government International (Young-Loan) with Swedish cert. . . . . 4½ » 1930	1941—1965 D P [7]	1/6 1941	1/6— 1/12	12½	12	—	6	9½	14¾	14¾

[1] Guaranteed by the Government. — [2] Issued also in £. — [3] Issued also in $. — [4] With affidavit. — [5] At any time on three months' notice. — [6] Selling price. — [7] Amortization-payments suspended. — [8] Issued in £.

* **Amortization-dates underlined.**

Stockholm 1946. Kungl. Boktr. P. A. Norstedt & Söner 462550

SKANDINAVISKA BANKEN

AKTIEBOLAG

Statement of Condition May, 31st, 1946

ASSETS.

Cash in hand	Kr.	52.411.863
Swedish Treasury Bills	»	288.000.000
Bills	»	222.741.965
Loans (secured)	»	813.994.758
Current Account (secured)	»	180.816.593
Banks and Savings Banks	»	70.850.706
Sundry Accounts	»	33.365.285
Bonds	»	276.570.473
Shares	»	82.070.996
Buildings, Furniture and Fittings	»	22.280.148
	Kr.	2.043.102.787

LIABILITIES.

Bills at sight in circulation (»postremiss» bills)			Kr.	28.032.365
Deposits: at sight			»	435.725.449
at notice			»	1.261.716.874
Banks and Savings Banks			»	88.891.801
Sundry Accounts			»	45.736.298
Share Capital	Kr.	95.708.000: —		
Reserve Funds	»	87.292.000: —	»	183.000.000
			Kr.	2.043.102.787

SKANDINAVISKA BANKEN

AKTIEBOLAG

GÖTEBORG STOCKHOLM MALMÖ

Offices and Branches:

Alsterbro
Anderslöv
Ankarsrum
Arboga
Arlöv
Asa
Askersund

Bengtsfors
Bettna
Billesholm
Björkvik
Boden
Borgholm
Borås
Bromölla
Brålanda
Båstad
Bäckefors

Dalby
Dalsjöfors
Degerhamn

Ed
Eskilstuna
Eslöv

Falsterbo (1/6–31/8)
Flen
Färgelanda

Gamleby
Gnesta
Grythyttan
Grönskåra
Gustavsfors
Gärsnäs
Gävle
Gökalund
Göteborg
(7 local branches)

Hallsberg
Halmstad
Hällefors
Hälsingborg
Härnösand
Höganäs
Hörby

Järna

Kalmar
Karlshamn
Karlskoga
Katrineholm
Klippan
Kopparberg
Kristianstad
Kumla
Kungsör
Köping

Laholm
Landskrona
Lenhovda
Lessebo
Limmared
Lindesberg
Linköping
Loftahammar
Lomma
Luleå
Lund
Löderup

Malmköping
Malmö
(5 local branches)
Mariedam
Mariefred
Mellerud
Moheda
Målilla
Mörbylånga

Nora
Norrköping
Nybro
Nyköping
Nynäshamn

Oxelösund

Perstorp
Piteå

Ramkvilla
Renland
Råå
Rönninge

S:t Olof
Simrishamn
Sjöbo
Skelleftehamn
Skellefteå
Skivarp
Skurup
Smålands Gällaryd
Solna
Sparreholm
Stallarholmen
Stjärnhov
Stockholm
(26 local branches)
Strängnäs
Svalöv
Söderhamn
Södertälje
Södra Vi
Sölvesborg

Teckomatorp
Tollarp
Torshälla
Trelleborg
Trosa
Tumba
Tuna
Tystberga

Ulricehamn
Umeå

Vagnhärad
Valla
Vaxholm
Vellinge
Vimmerby
Vingåker
Västervik
Växjö

Ystad

Ämmeberg
Åmål
Ånimskog
Åstorp

Älmhult
Ängelholm

Örebro
Örkelljunga
Överum